

# Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.

Local Government Type <input type="checkbox"/> City <input type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other				Local Government Name		County	
Audit Date		Opinion Date		Date Accountant Report Submitted to State:			

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ Yes ☐ No 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ Yes ☐ No 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☐ Yes ☐ No 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ Yes ☐ No 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ Yes ☐ No 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ Yes ☐ No 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ Yes ☐ No 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ Yes ☐ No 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ Yes ☐ No 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

We have enclosed the following:	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.			
Reports on individual federal financial assistance programs (program audits).			
Single Audit Reports (ASLGU).			

Certified Public Accountant (Firm Name)				
Street Address		City	State	ZIP Code
Accountant Signature			Date	

CHARTER TOWNSHIP OF SPRINGFIELD

REPORT ON AUDIT OF  
FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2005

## **CHARTER TOWNSHIP OF SPRINGFIELD**

### **TOWNSHIP OFFICIALS**

Supervisor – Collin Walls  
Clerk - Nancy Strole  
Treasurer – Jamie Dubre

### **BOARD OF TRUSTEES**

Jamie Dubre  
Mark Cooper  
David Hopper  
Roger Lamont  
Nancy Strole  
Dennis Vallad  
Collin Walls

### **LEGAL COUNSEL**

Adkison, Need & Allen, P.L.L.C.

### **TOWNSHIP AUDITORS**

Pfeffer, Hanniford & Palka  
Certified Public Accountants

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**PFEFFER ■ HANNIFORD ■ PALKA**  
*Certified Public Accountants*

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March 2, 2006

Board of Trustees  
Charter Township of Springfield  
12000 Davisburg Road  
Davisburg, Michigan 48350

**INDEPENDENT AUDITORS' REPORT**

Honorable Board of Trustees:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information including the discretely presented component units of the Charter Township of Springfield as of and for the year ended December 31, 2005, which collectively comprise Charter Township of Springfield's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Charter Township of Springfield's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information including the discretely presented component units of the Charter Township of Springfield as of December 31, 2005, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis and other required supplementary information on pages 8 through 13 and 40 through 43 are not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Charter Township of Springfield's basic financial statements. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information, such as the combining statements and individual fund statements, have been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Pfeffer, Hanniford & Palka, P.C.*

**PFEFFER, HANNIFORD & PALKA**  
Certified Public Accountants

MANAGEMENT  
DISCUSSION  
AND  
ANALYSIS



## Management Discussion and Analysis December 31, 2005

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Within this section of the Charter Township of Springfield's annual financial report, we are providing a narrative discussion and analysis of the financial activities of the Township for the fiscal year ended December 31, 2005. This narrative discusses and analyzes the activity within the context of the accompanying financial statements and disclosures following this section. The discussion focuses on the Township's primary functions and, unless otherwise noted, component units reported separately from the primary government are not included.

### Overview of the Financial Statements

The Management's Discussion and Analysis introduces the Township's basic financial statements. The basic financial statements include government-wide financial statements, fund financial statements, and notes to the financial statements. The Township also includes in this report additional information to supplement the basic financial statements.

### ***Government-wide Financial Statements***

The Township's annual reports include two government-wide financial statements. These statements provide both long-term and short-term information about the Township's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The first of these government-wide statements is the Statement of Net Assets. This is the Township-wide statement of position presenting information that includes all the Township's assets and liabilities, with the difference reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Township as a whole is improving or deteriorating. The Capital Assets (land, buildings, equipment, etc.) are reported at original cost less depreciation and therefore this figure does not necessarily reflect Market Value.

The second government-wide statement is the Statement of Activities which reports how the Township's net assets changed during the current fiscal year. The design of this statement is to show the financial reliance of the Township's distinct activities or functions on the revenues generated by the Township.

Governmental activities include such activities as general government, fire, police, parks, buildings and planning departments. Fiduciary activities such as tax collection are not included in the government-wide statements since these assets are not available to fund Township programs.

The Township's financial reporting includes all the funds the Township Board is responsible for and, additionally, funds which the Township handles but are not under the control or jurisdiction of the Township Board (component units). Parks and Recreation is not shown as a "Component Unit" because they receive the majority of their funding from the General Fund and State Law requires their budgets and budget amendments to be approved by the Township Board.

## ***Fund Financial Statements***

A fund is an accountability unit used to segregate resources for specific activities or objectives. The Township uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Township's most significant funds rather than the Township as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the combining statements later in this report.

The Township has two kinds of funds:

*Governmental funds* such as General Fund, Fire Fund, Police Fund and others are reported in the financial statements. These statements report short-term fiscal conditions focusing on the use of spendable resources and balances of these resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term. Since the focus of the government-wide financial statements includes a long-term view, a reconciliation of these fund balances has been completed to detail its relation to net assets.

*Fiduciary funds* such as the tax fund are reported in the fiduciary fund financial statements, but are excluded from the government-wide statements. Fiduciary fund financial statements report resources that are not available to fund Township activities.

## ***Notes to the financial statements***

The accompanying notes to the financial statements provide information to assist with a full understanding of both the government-wide and fund financial statements.

## ***Other information***

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Other supplementary information includes detail by fund for receivables, payables, transfers, and payments within the reporting entity.

Major funds are reported in the basic financial statements as discussed. Combining, individual statements and schedules for non-major funds are presented in a subsequent section of this report.

## **Financial Analysis of the Township as a Whole**

The Township has implemented the new financial reporting model used in this report beginning with the prior fiscal year ended December 31, 2005. Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net assets may be observed and used to discuss the changing financial position of the Township as a whole.

Under GASB 34 the assets of Springfield Township exceeds its liabilities at the close of the fiscal year by \$8,376,635. Of this amount, \$3,922,599 is not invested in Capital Assets and may be used to meet the township's ongoing obligations.

As of the close of the current fiscal year under governmental fund accounting the Township's governmental funds reported combined ending fund balances of \$3,911,848, an increase of \$61,663 in comparison with the prior year. Approximately 71% of the total amount, \$2,783,758 is available for spending at the township's discretion (unreserved fund balance).

At the end of the current fiscal year under accounting standards prior to GASB 34, unreserved fund balances were; General Fund - \$884,031 Fire Fund - \$1,020,444 Police Fund - \$385,636 Parks and Shiawassee Funds - \$147,359.

The following tables provide a summary of the Township's financial activities and changes in net assets:

### Summary of Net Assets

	Governmental Activities		
	12-31-05	12-31-04	Increase (Decrease)
Current and other assets	\$ 6,978,419	\$ 6,747,104	\$ 231,315
Capital assets, net of depreciation	<u>8,439,036</u>	<u>8,500,917</u>	<u>(61,881)</u>
Total assets	<u>15,417,455</u>	<u>15,248,021</u>	<u>169,434</u>
Other liabilities	3,055,820	2,835,813	220,007
Long-term liabilities	<u>3,985,000</u>	<u>4,145,000</u>	<u>(160,000)</u>
Total liabilities	<u>7,040,820</u>	<u>6,980,813</u>	<u>60,007</u>
Net assets:			
Invested in capital assets, net of related debt	4,454,036	4,355,917	98,119
Unrestricted	<u>3,922,599</u>	<u>3,911,291</u>	<u>11,308</u>
Total net assets	<u>\$ 8,376,635</u>	<u>\$ 8,267,208</u>	<u>\$ 109,427</u>

#### Notes:

1. Although books periodicals and other materials in the Library have an estimated replacement cost of over \$100,000 they are not listed as an asset because the township Library Board has adopted a capitalization policy of individual items costing under \$10,000 are not capitalized.
2. The Civic Center is reported as a Capital Asset as a Governmental Activity. Even though no division of the asset has been made for this audit report a major portion of the asset includes the Library Facility, furniture and equipment because it was part of the original construction project.

Component Unit-Library		
12-31-05	12-31-04	Increase (Decrease)
\$ 287,069	\$ 269,536	\$ 17,533
<u>287,069</u>	<u>269,536</u>	<u>17,533</u>
265,882	248,541	17,341
<u>265,882</u>	<u>248,541</u>	<u>17,341</u>
 21,187	 20,995	 192
<u>\$ 21,187</u>	<u>\$ 20,995</u>	<u>\$ 192</u>

Component Unit-Lake Boards		
12-31-05	12-31-04	Increase (Decrease)
\$ 545,796	\$ 1,003,979	\$ (458,183)
<u>545,796</u>	<u>1,003,979</u>	<u>(458,183)</u>
2,376	623	1,753
<u>133,333</u>	<u>150,000</u>	<u>(16,667)</u>
<u>135,709</u>	<u>150,623</u>	<u>(14,914)</u>
 410,087	 853,356	 (443,269)
<u>\$ 410,087</u>	<u>\$ 853,356</u>	<u>\$ (443,269)</u>

## Summary of Changes in Net Assets

	Governmental Activities		Increase (Decrease)
	12-31-05	12-31-04	
Revenues			
Program revenues			
Charges for services	\$ 730,452	\$ 689,569	\$ 40,883
Capital grants and contributions	66,153	123,597	(57,444)
Operating grants and contributions		127,966	(127,966)
General revenues			
State shared revenues	906,380	909,006	(2,626)
Property taxes	2,664,828	2,506,770	158,058
Interest income	163,019	90,837	72,182
Other revenues	234,570	182,716	51,854
Gain (loss) on sale of capital assets	(8,154)	209,174	(217,328)
Total revenues	<u>4,757,248</u>	<u>4,839,635</u>	<u>(82,387)</u>
Expenses			
General government	1,953,305	1,824,440	128,865
Library			
Fire protection	494,210	616,645	(122,435)
Police protection	1,210,013	1,154,000	56,013
Parks and recreation	515,428	474,702	40,726
Public works	213,579	190,263	23,316
Interest on long-term debt	246,286	216,118	30,168
Lake boards			
Total expenses	<u>4,632,821</u>	<u>4,476,168</u>	<u>156,653</u>
Transfers	<u>(15,000)</u>		<u>(15,000)</u>
Change in net assets	109,427	363,467	(254,040)
Beginning net assets	8,267,208	7,796,946	470,262
Adjustment		106,795	(106,795)
Ending net assets	<u>\$ 8,376,635</u>	<u>\$ 8,267,208</u>	<u>\$ 109,427</u>

Component Unit Library		
12-31-05	12-31-04	Increase (Decrease)
\$ 15,925	\$ 10,572	\$ 5,353
2,710	7,163	(4,453)
12,246	12,286	(40)
248,125	233,211	14,914
3,731	1,886	1,845
18,024	19,145	(1,121)
<u>300,761</u>	<u>284,263</u>	<u>16,498</u>
315,569	305,893	9,676
<u>315,569</u>	<u>305,893</u>	<u>9,676</u>
<u>15,000</u>		<u>15,000</u>
192	(21,630)	21,822
20,995	42,625	(21,630)
<u>\$ 21,187</u>	<u>\$ 20,995</u>	<u>\$ 192</u>

Component Unit-Lake Boards		
12-31-05	12-31-04	Increase (Decrease)
\$	\$	\$
	286,988	(286,988)
19,861	19,240	621
<u>19,861</u>	<u>306,228</u>	<u>(286,367)</u>
308,117	253,644	54,473
<u>308,117</u>	<u>253,644</u>	<u>54,473</u>
(288,256)	52,584	(340,840)
853,356	800,772	52,584
<u>(155,013)</u>		<u>(155,013)</u>
<u>\$ 410,087</u>	<u>\$ 853,356</u>	<u>\$ (443,269)</u>

The overall financial status for the Township improved due to the sale of the previous Township Hall property. The Township received \$210,000 for the sale of the property previously used for the Township Hall. Book value for this item was \$1 due to the age of the building. The net gain on the sale totaled \$209,174.

The Library Fund was previously included as part of the financial statements as a special revenue fund. Due to its autonomous nature it is now being reported as a separate component unit within the Charter Township of Springfield's financial statements.

Several Lake Boards were previously included as part of the financial statements in a special revenue fund called Lake Improvement Fund. Due to their autonomous nature they are now combined as a separate component unit within the Charter Township of Springfield's financial statements.

See Footnote #2 regarding the component units for more detail.

### Financial Analysis of the Township's Funds

The Township has 4 major funds for the year ended December 31, 2005. These funds include:

- General Fund
- Fire Fund
- Police Fund
- Civic Center Fund

The General Fund's fund balance decreased \$(184,008) during the year. This was mostly due to a slower economy. The General Fund also made \$449,200 of operating transfers to help fund the operations of the parks and recreation department/library and police funds.

The Fire Fund's fund balance increased over \$336,000. This was mostly due to the intent of the Township Board saving for expansion of the fire hall.

The Police Fund, has very little activity because its sole function is paying for contracted police protection.

The Civic Center Fund broke even for the year with a small surplus of \$4,667 which is typical.

### General Fund Budgetary Highlights

The Township adopted its budget over two months before the beginning of the fiscal year. Amendments were made during the year to adjust for changes. Budget appropriations exceeded actual expenditures by \$77,748 for the year. However under the general fund activity "elections" the actual amount went over budget by \$34,583. This was due to a non-cash grant for election equipment from the State of Michigan. Since the grant was equipment given to the Township and no monies were involved a budget amendment was not made. This was also true for the revenue side, state grant, where there was a favorable variance of \$35,936.

### Capital Asset and Debt Administration

The Township paid \$160,000 of principal and \$204,858 of interest to repay the contract and bonds payable debt held for Civic Center Construction.

The Township deems all capital purchases of \$10,000 or greater as capital assets. During the year, total capital asset acquisitions totaled \$201,219. Capital purchases included \$182,469 for construction in progress and additions to building improvements for Parks and Recreation of \$18,750.

### Economic Conditions and Future Activities

Springfield Township benefits economically from its location within Oakland County. The Township's tax base has been stable and increasing due to the residential development within the community and recent commercial and industrial growth. We anticipate no major new developments over the next year. Although Michigan's economy and the financial condition of the State is not encouraging our location along with other communities within Oakland County, we should be able to weather the storm.

In the past State Shared Revenue has been a major portion of our General Fund receipts. In 2001 we received \$1,143,518 in State Shared Revenue. By the end of 2005 our state shared revenue has been reduced to just over \$906,000. That reduction of over \$337,500 during a four (4) year period was anticipated. During that same four (4) year period the General Fund Property Tax Revenue only increased \$111,200 from \$480,300 to \$591,500.

The combination of projected further reductions in State Shared Revenue with no anticipated significant increase in development and new tax base over the next couple of years requires the Township to continue it's historical, conservative approach to budgeting. The Township has sufficient fund balance in each of it's major funds to help maintain current levels of services if managed conservatively. The Township has begun to adjust expenditures and budgets to reflect reduced revenue.

### Contacting the Township's Financial Management

This report is designed to provide a general overview of the Township's financial position and comply with finance-related recommendations. If you have any further questions about this report or request additional information please contact the Charter Township of Springfield at 12000 Davisburg Rd., Davisburg, Michigan, 48350.



BASIC  
FINANCIAL STATEMENTS

GOVERNMENT - WIDE  
FINANCIAL STATEMENTS

CHARTER TOWNSHIP OF SPRINGFIELD  
STATEMENT OF NET ASSETS  
DECEMBER 31, 2005

	<u>Governmental Activities</u>	<u>Component Unit Library</u>	<u>Component Unit Lake Boards</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 4,044,269	\$ 59,167	\$ 142,272
Receivables			
Special assessments	6,283		378,093
Taxes	2,035,160	185,948	
Intergovernmental	507,805	41,954	25,431
State shared revenues	304,575		
Accounts - other	71,333		
Prepaid expenses	8,994		
Capital assets			
Land	1,244,028		
Buildings and improvements	7,550,664		
Vehicles and equipment	1,269,067		
Construction in progress	184,469		
Less: accumulated depreciation	<u>(1,809,192)</u>		
Total assets	<u>15,417,455</u>	<u>287,069</u>	<u>545,796</u>
<b>LIABILITIES</b>			
Accounts payable - trade	162,157	1,439	2,376
Deferred revenues	2,893,663	264,443	
Contract payable (Lake Board and County)			
Current			16,667
Non-current			116,666
Bonds payable			
Current	170,000		
Non current	<u>3,815,000</u>		
Total liabilities	<u>7,040,820</u>	<u>265,882</u>	<u>135,709</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	4,454,036		
Unrestricted	<u>3,922,599</u>	<u>21,187</u>	<u>410,087</u>
Total net assets	<u>\$ 8,376,635</u>	<u>\$ 21,187</u>	<u>\$ 410,087</u>

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF SPRINGFIELD  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2005

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Contributions</u>	<u>Capital Grants and Contributions</u>
GOVERNMENTAL ACTIVITIES				
General government	\$ (1,953,305)	\$ 574,426	\$ 50,590	\$
Fire protection	(494,210)	33,670		
Police protection	(1,210,013)	16,726		
Parks and recreation	(515,428)	75,499	11,063	
Public works	(213,579)	30,131	4,500	
Interest on long-term debt	(246,286)			
Total governmental activities	<u>\$ (4,632,821)</u>	<u>\$ 730,452</u>	<u>\$ 66,153</u>	<u>\$</u>
Component Units				
Library	\$ (315,569)	\$ 15,925	\$ 2,710	
Lake boards	(308,117)			
Total component units	<u>\$ (623,686)</u>	<u>\$ 15,925</u>	<u>\$ 2,710</u>	<u>\$</u>
General Revenues:				
Property taxes				
State shared revenues				
Investment earnings				
Penal fines				
Cable royalties				
Rental income				
Other income				
Disposal of assets				
Total general revenues				
Transfers				
Change in net assets for 2005 before adjustment				
Deferred revenue adjustment				
Change in net assets after adjustment				
Net assets, January 1, 2005				
Net assets, December 31, 2005				

The notes are an integral part of the financial statements.

Net (Expenses) Revenue  
and Changes in Net Assets

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Governmental Activities	Component Units	
	Library	Lake Boards
\$ (1,328,289) \$		
(460,540)		
(1,193,287)		
(428,866)		
(178,948)		
(246,286)		
(3,836,216)		
	(296,934)	
		(308,117)
	(296,934)	(308,117)
2,664,828	248,125	
906,380	12,246	
163,019	3,731	19,861
	17,826	
125,374		
73,706		
35,490	198	
(8,154)		
3,960,643	282,126	19,861
(15,000)	15,000	
109,427	192	(288,256)
		(155,013)
109,427	192	(443,269)
8,267,208	20,995	853,356
\$ 8,376,635	\$ 21,187	\$ 410,087

FUND  
FINANCIAL STATEMENTS

CHARTER TOWNSHIP OF SPRINGFIELD  
BALANCE SHEET  
GOVERNMENTAL FUNDS AND COMPONENT UNITS  
DECEMBER 31, 2005

	General Fund	Fire Fund	Police Fund	Civic Center	Other Non-major Funds
<u>ASSETS</u>					
ASSETS					
Cash and cash equivalents	\$ 1,563,542	\$ 1,251,967	\$ 671,966	\$ 79,740	\$ 477,054
Receivables					
Taxes receivable	443,407	398,752	915,045	277,956	
Special assessments					6,283
State shared revenues	304,575				
Accounts receivable - other	9,906				13,290
Due from other funds	146,632	89,667	206,453	62,712	3,795
Prepaid expenditures	8,994				
Accrued receivable fire runs		48,137			
Total assets	<u>\$ 2,477,056</u>	<u>\$ 1,788,523</u>	<u>\$ 1,793,464</u>	<u>\$ 420,408</u>	<u>\$ 500,422</u>
<u>LIABILITIES AND FUND BALANCE</u>					
LIABILITIES					
Accounts payable	\$ 30,307	\$ 4,598	\$ 106,510	\$	\$ 20,743
Deferred revenue	630,537	566,518	1,301,318	395,290	10,750
Due to other funds	1,054				400
Total liabilities	<u>661,898</u>	<u>571,116</u>	<u>1,407,828</u>	<u>395,290</u>	<u>31,893</u>
FUND BALANCE					
Unreserved	884,031	1,020,444	385,636	25,118	468,529
Reserved for road maintenance	338,445				
Reserved for building and equipment		196,963			
Reserved for Civic Center	592,682				
Total fund balance	<u>1,815,158</u>	<u>1,217,407</u>	<u>385,636</u>	<u>25,118</u>	<u>468,529</u>
Total liabilities and fund balance	<u>\$ 2,477,056</u>	<u>\$ 1,788,523</u>	<u>\$ 1,793,464</u>	<u>\$ 420,408</u>	<u>\$ 500,422</u>

The notes are an integral part of the financial statements.

<u>Totals</u>	<u>Component Units</u>	
	<u>Library Fund</u>	<u>Lake Board Funds</u>
\$ 4,044,269	\$ 59,167	\$ 142,272
2,035,160	185,948	
6,283		378,093
304,575		
23,196		
509,259	41,954	25,431
8,994		
<u>48,137</u>		
<u>\$ 6,979,873</u>	<u>\$ 287,069</u>	<u>\$ 545,796</u>

\$ 162,158	\$ 1,439	\$ 2,376
2,904,413	264,443	444,948
<u>1,454</u>		
<u>3,068,025</u>	<u>265,882</u>	<u>447,324</u>
2,783,758	21,187	98,472
338,445		
196,963		
<u>592,682</u>		
<u>3,911,848</u>	<u>21,187</u>	<u>98,472</u>
<u>\$ 6,979,873</u>	<u>\$ 287,069</u>	<u>\$ 545,796</u>



CHARTER TOWNSHIP OF SPRINGFIELD  
RECONCILIATION OF STATEMENT OF NET ASSETS  
OF GOVERNMENTAL FUNDS AND COMPONENT UNITS TO THE BALANCE SHEET  
DECEMBER 31, 2005

Amounts reported for governmental activities in the statement of net assets are different because:

Total fund balance per balance sheet		\$ 3,911,848
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:		
Cost of capital assets	\$10,248,228	
Depreciation	<u>(1,809,192)</u>	
Capital assets net of depreciation		8,439,036
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These include:		
Capital leases payable	(170,000)	
Bonds payable	<u>(3,815,000)</u>	
Total		(3,985,000)
Deferred revenues on special assessments was recognized as revenue in the government-wide statements. Assessments are income as they are assessed.		
		<u>10,751</u>
Net assets of governmental activities		<u>\$ 8,376,635</u>

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF SPRINGFIELD  
RECONCILIATION OF STATEMENT OF NET ASSETS OF GOVERNMENTAL FUNDS AND  
COMPONENT UNITS TO THE BALANCE SHEET  
FOR THE YEAR ENDED DECEMBER 31, 2005

Amounts reported for Lake Boards - Component Unit Activities  
in the statement of net assets are different because:

Total fund balance per balance sheet	\$ 98,472
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These include:	
Contract payable - due to county	(133,333)
Deferred revenues on special assessments was recognized as revenue in the government - wide statements. Assessments are income as they are assessed.	<u>444,948</u>
Net assets per statement of net assets	<u>\$ 410,087</u>

There were no reconciling items for the component unit library.

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF SPRINGFIELD  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
ALL GOVERNMENTAL FUNDS AND COMPONENT UNITS  
FOR THE YEAR ENDED DECEMBER 31, 2005

	General Fund	Fire Fund	Police Fund	Civic Center	Other Non-major Fund
<u>REVENUES</u>					
REVENUES					
Taxes	\$ 591,506	\$	\$ 1,174,815	\$ 368,220	\$
Grant	50,590				
Business license permits	829	530,287			276,747
State shared revenues	862,045	44,335			
Cable franchise fees		90,788			34,586
Special assessments	1,052				38,553
Special assessment interest					1,028
Charges for services	288,707	33,670	16,726		84,954
Penal fines					
Rent	35,142	10,930			27,634
Interest	76,293	34,298	28,339	4,593	17,510
Sale of fixed assets		6,500			
Contributions - road	4,500				
Contributions - unrestricted					11,063
Miscellaneous	28,494	5,432	921		643
Total revenues	<u>1,939,158</u>	<u>756,240</u>	<u>1,220,801</u>	<u>372,813</u>	<u>492,718</u>
EXPENDITURES					
Elected officials	536,074				
General government	948,033				
Public works and contractual services	166,511				6,540
Tax tribunal	4,834				
Debt service				368,146	19,626
Parks					640,984
Fire		419,793			
Police			1,210,013		
Building department					350,413
Cable					15,585
Library					
Total expenditures	<u>1,655,452</u>	<u>419,793</u>	<u>1,210,013</u>	<u>368,146</u>	<u>1,033,148</u>
Excess of revenues over (under) expenditures	<u>283,706</u>	<u>336,447</u>	<u>10,788</u>	<u>4,667</u>	<u>(540,430)</u>
OTHER FINANCING SOURCES (USES)					
Transfers (out)	(449,200)				
Transfers in			8,000		426,200
Total other financing sources (uses)	<u>(449,200)</u>		<u>8,000</u>		<u>426,200</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>(165,494)</u>	<u>336,447</u>	<u>18,788</u>	<u>4,667</u>	<u>(114,230)</u>
FUND BALANCE, JANUARY 1, 2005	1,999,166	880,960	366,848	20,451	582,759
PRIOR PERIOD ADJUSTMENT	<u>(18,514)</u>				
FUND BALANCE, DECEMBER 31, 2005	<u>\$ 1,815,158</u>	<u>\$ 1,217,407</u>	<u>\$ 385,636</u>	<u>\$ 25,118</u>	<u>\$ 468,529</u>

The notes are an integral part of the financial statements.

<u>Totals</u>	<u>Component Units</u>	
	<u>Library Fund</u>	<u>Lake Board Funds</u>
\$ 2,664,828	\$	\$
50,590	248,125	
277,576		
906,380	12,246	
125,374		
39,605		215,501
1,028		14,629
424,057	15,925	
	17,826	
73,706		
161,033	3,731	5,232
6,500		
4,500		
11,063	2,710	
35,490	198	
<u>4,781,730</u>	<u>300,761</u>	<u>235,362</u>
536,074		
948,033		
173,051		324,784
4,834		
387,772		
640,984		
419,793		
1,210,013		
350,413		
15,585		
	315,569	
<u>4,686,552</u>	<u>315,569</u>	<u>324,784</u>
<u>95,178</u>	<u>(14,808)</u>	<u>(89,422)</u>
(449,200)		
434,200	15,000	
<u>(15,000)</u>	<u>15,000</u>	
80,178	192	(89,422)
3,850,184	20,995	187,894
<u>(18,514)</u>		
<u>\$ 3,911,848</u>	<u>\$ 21,187</u>	<u>\$ 98,472</u>

CHARTER TOWNSHIP OF SPRINGFIELD  
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2005

Amounts reported for governmental activities in the Statement of Activities are different because:

Net change in fund balances - governmental funds	\$	80,178
--	----	--------

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their useful lives as depreciation expense. The amount by which capital outlays exceeded depreciation is as follows:

Capital outlay	\$	201,219
Depreciation expense		<u>(263,100)</u>
Net		(61,881)

Repayment of bond and contract payable is an expenditure in the governmental funds, but the repayment deducts long-term liabilities in the Statement of Net Assets.

Repayment of Bonds payable	160,000	
Amounts repaid to the General Fund - interfund loan		<u>(18,514)</u>
Total		141,486

Principal received on special assessments are income as they are levied annually for governmental funds, but they are income when they are levied for the Statement of Activities

Principal collected on assessments		<u>(50,356)</u>
Change in net assets of governmental activities	\$	<u>109,427</u>

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF SPRINGFIELD  
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE OF GOVERNMENTAL FUNDS - LAKE BOARDS -  
COMPONENT UNIT TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2005

Amounts reported for Lake Boards - Component Unit activities  
in the Statement of Activities are different because:

Net change in fund balances - Lake Boards Component Unit	\$ (89,422)
Repayment of Contract payable - Oakland County is an expenditure in the Governmental Funds, but the repayment deducts long-term liabilities in statement of net assets	16,667
Principal received on special assessments are income as they are levied annually for governmental funds, but they are income when they are levied for the Statement of Activities:	
Principal collected on assessments	(215,501)
Adjustment of deferred revenue	<u>(155,013)</u>
Total	<u>(370,514)</u>
Change in net assets of Lake Boards - Component Unit	<u><u>\$ (443,269)</u></u>

There were no reconciling items for the Component Unit - Library

NOTES  
TO  
FINANCIAL  
STATEMENTS

CHARTER TOWNSHIP OF SPRINGFIELD  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2005

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Charter Township of Springfield was incorporated in 1836 and later became a Charter Township in 1986. The Township is located in southeast Michigan in North West Oakland County. The accounting policies of the Charter Township of Springfield conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant policies:

**A. BASIC FINANCIAL STATEMENTS**

In accordance with GASB Statement No. 34 - *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, the basic financial statements include both government-wide and fund financial statements.

The government-wide financial statements (Statement of Net Assets and Statement of Activities) report on the Township as a whole, excluding fiduciary activities. Governmental fund types are reported in the government-wide financial statements using the economic resources measurement focus and the accrual basis of accounting, which includes long-term assets and receivables as well as long-term debt and obligations. The government-wide financial statements focus more on the sustainability of the Township as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. Generally, the effect of interfund activity has been removed from the government-wide financial statements.

The government-wide Statement of Net Assets reports all financial and capital resources of the Township (excluding fiduciary funds). It is displayed in a format of assets less liabilities equals net assets, with the assets and liabilities shown in order of their relative liquidity. Net assets are required to be displayed in three components: 1) invested in capital assets 2) restricted, and 3) unrestricted. Invested in capital assets, net of related debt is capital assets net of accumulated depreciation and reduced by outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Restricted net assets are those with constraints placed on their use by either: 1) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or 2) imposed by law through constitutional provisions or enabling legislation. All net assets not otherwise classified as restricted, are shown as unrestricted. Generally, the Township would first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

The government-wide Statement of Activities demonstrates the degree to which both direct and indirect expenses of the various functions and programs of the Township are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or identifiable activity. Indirect expenses for administrative overhead are allocated among the functions and activities using a full cost allocation approach and are presented separately to enhance comparability of direct expense between governments that allocate direct expenses and those that do not. Interest on general long-term debt is not allocated to the various functions. Program revenues include: 1) charges to customers or users who purchase, use or directly benefit from goods, services or privileges provided by a particular function or program and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. Taxes, unrestricted investment income and other revenues not identifiable with particular functions or programs are included as general revenues. The general revenues support the net costs of the functions and programs not covered by program revenues.



CHARTER TOWNSHIP OF SPRINGFIELD  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2005

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Also, part of the basic financial statements are fund financial statements for the governmental funds. The focus of the fund financial statements is on major funds, as defined by GASB Statement No. 34. Although this reporting model sets forth minimum criteria for determination of major funds (a percentage of assets, liabilities, revenues, or expenditures of fund category and of the governmental funds combined), it also gives governments the option of displaying other funds as major funds. Other non-major funds are combined in a single column on the fund financial statements.

The Township reports the following major governmental funds:

The General Fund is the Township's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Fire Fund accounts for the activities related to operating fire protection services. This fund is primarily supported through the collection of property taxes.

The Police Fund accounts for the activities related to operating police protection services. This fund is primarily supported through collection of property taxes.

The Civic Center Fund accounts for the activities surrounding the debt related to the Civic Center. This fund is primarily supported through the collection of property taxes.

B. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The governmental fund financial statements are prepared on a modified accrual basis of accounting. To conform to the modified accrual basis of accounting, certain modifications must be made to the accrual method. These modifications are outlined below:

- A. Revenue is recorded when it becomes both measurable and available (received within 60 days after year-end). Revenue considered susceptible to accrual includes: property taxes, sales and use taxes, licenses, fees and permits, intergovernmental revenues, charges for services and interest.
- B. Expenditures are recorded when the related fund liability is incurred. Principal and interest on long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.
- C. Disbursements for the purchase of capital assets providing future benefits are considered expenditures. Bond proceeds are reported as another financing source.

With this measurement focus, operating statements present increases and decreases in net current assets and unreserved fund balances as a measure of available spendable resources.

CHARTER TOWNSHIP OF SPRINGFIELD  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2005

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

This is the traditional basis of accounting for governmental funds and also is the manner in which these funds are normally budgeted. This presentation is deemed most appropriate to: 1) demonstrate legal and covenant compliance, 2) demonstrate the sources and uses of liquid resources, and 3) demonstrate how the Township's actual revenues and expenditures conform to the annual budget. Since the governmental funds financial statements are presented on a different basis than the governmental activities column of the government-wide financial statements, a reconciliation is provided immediately following each fund statement. These reconciliations briefly explain the adjustments necessary to transform the fund financial statements into the governmental activities column of the government-wide financial statements.

Fiduciary funds account for assets held by the Township in a trustee or agency capacity on behalf of others and, therefore, are not available to support Township programs. The reporting focus is upon net assets and changes in net assets and employs accounting principles similar to proprietary funds. Fiduciary funds are not included in the government-wide financial statements as they are not an asset of the Township available to support Township programs.

C. BUDGETARY DATA

The Township approves budgets for the general and special revenue funds. Amendments made during the fiscal year are reflected in the budget column of the appropriate financial statement. The budgets are prepared on a modified accrual basis

For the year ended December 31, 2005, expenditures exceeded appropriations in one functional activity of the general fund.

D. PROPERTY TAXES

The Township property tax is levied each December 1 on the taxable valuation of property located in the township as of the preceding December 31. Taxable values are established annually by the county and are equalized by the state. Real and personal property in the Township for the 2004 levy was assessed at an adjusted taxable value of \$584,050,340. Taxes are due and payable by February 28. Delinquent real and personal property taxes are returned to the County Treasurer for collection.

The Township levies the following millage:

General township operations	1.0124
Police 1	.6389
Fire	.9076
Library	.4247
Police 2	1.3718
Civic Center Bond	<u>.6302</u>
Total millage	<u><u>4.9856</u></u>

CHARTER TOWNSHIP OF SPRINGFIELD  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2005

**E. CAPITAL ASSETS**

Under GASB Statement No. 34, all capital assets whether owned by governmental activities or business-type activities, are recorded and depreciated in the government-wide financial statements. No long-term capital assets or depreciation are shown in the governmental funds financial statements.

Capital assets are defined as assets with an initial, individual cost of more than \$10,000 and an estimated useful life greater than one year. Land is considered a capital asset regardless of initial cost. Capital assets are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major improvements are capitalized and depreciated over the remaining useful lives of the related capital assets.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings, structures and improvements	10 to 50 years
Machinery and equipment	5 to 40 years

Any capital assets transferred between funds are transferred at their net book value (cost less accumulated depreciation), as of the date of the transfer.

**F. MANAGEMENT ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**G. RISK MANAGEMENT**

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Township maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Township. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

CHARTER TOWNSHIP OF SPRINGFIELD  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2005

**NOTE 2 - DESCRIPTION OF REPORTING ENTITY**

In accordance with Governmental Accounting Standards Board (GASB) statement number 39, all funds, agencies, and activities of Charter Township of Springfield as the primary government have been included in the financial statements.

**Component Units**

1. The Library operates under PA 164, thus the Library Board is independently elected, approves its own budget, maintains control over expenditures of all funds credited to the Library and has the responsibility to see that adequate funding is provided. The Township has chosen to report the Library Fund as a separate discretely presented component unit of the Township's audited financial statements.
2. The Township has several agreements with Lake Boards which are separate statutory Public Agencies originally established under Part 309 of the Michigan Natural Resources and Environmental Protection Act (PA 451 of 1994, as amended). The Lake Boards have authority to enter into contracts, borrow funds, determine special assessment districts, establish special assessment rolls and are authorized to direct the Township to collect special assessments. The Township only collects assessments and disburses funds on behalf of the Lake Boards. The Lake Boards administer and control the funds. Based on the above, management of the Township has classified the following Lake Boards as one combined fund and as a separate discretely presented component unit:

1. Big Lake
2. Dixie Lake
3. Susin Lake
4. Waumegah Lake

**NOTE 3 - INTERFUND BALANCES**

All interfund balances are short-term in character. Interfund transfers will be collected during the next reporting period. These amounts are reported as current assets in the governmental balance sheets. The amounts of interfund receivables and payables are as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 146,632	\$ 1,054
Fire Fund	89,668	
Police Fund	206,453	
Lake Improvement Fund	25,431	
Library Fund	41,953	
Civic Center Fund	62,712	
Bridge Lake Road Fund	1,545	
Parks and Recreation Fund	1,054	400
Current Tax Fund		573,578
Shiawassee Basin Fund	400	
Trust and Agency		1,612
Softwater Lake	<u>796</u>	
Total	<u>\$ 576,644</u>	<u>\$ 576,644</u>

CHARTER TOWNSHIP OF SPRINGFIELD  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2005

**NOTE 4 – EMPLOYEE RETIREMENT PLAN**

The Charter Township of Springfield has a salary reduction defined contribution plan. Eligible employees are defined as employees who have provided at least 1,000 hours of service in the previous twelve month period and have reached the age of twenty-one. Contributions to the plan are funded by both employer and employee.

Employee contributions must be a minimum of 2.5%. Employer contributions are fixed at 7.5% of compensation. Contribution information is as follows:

Total current year employee contributions	\$ 98,634
Total current year employer contributions	<u>66,522</u>
Total current year contributions	<u>\$ 165,156</u>
Total current covered payroll	<u><u>890,221</u></u>

These balances reflect contributions for the period from January 1, 2005 to December 31, 2005.

CHARTER TOWNSHIP OF SPRINGFIELD  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2005

**NOTE 5 - CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2005 was as follows:

	Balance 1/1/05	Additions	Deletions	Balance 12/31/05
Building Department - Vehicles	\$ 38,114	\$	\$	\$ 38,114
Fire Department building	308,000			308,000
Fire Department construction in progress		6,676		6,676
Fire Department equipment	124,000			124,000
Fire Department land	177,000			177,000
Fire Department - vehicles	1,083,823		100,488	983,335
Township land	1			1
Township construction in progress		28,855		28,855
Township hall	6,373,888			6,373,888
Parks equipment	90,269			90,269
Parks vehicles	33,349			33,349
Parks buildings	850,026	18,750		868,776
Parks construction in progress	2,000	146,938		148,938
Parks land	1,067,027			1,067,027
 Total capital assets	 10,147,497	 201,219	 (100,488)	 10,248,228
 Accumulated depreciation	 (1,646,580)	 (248,446)	 85,834	 (1,809,192)
 Governmental activities capital asset, net	 <u>\$ 8,500,917</u>	 <u>\$ (47,227)</u>	 <u>\$ (14,654)</u>	 <u>\$ 8,439,036</u>

Depreciation expense is being recorded in the government-wide statement of activities based upon the fund and activity utilizing the assets. The Township utilizes the straight line method to depreciate capital assets over their estimated useful lives. Depreciation expense was recorded in the general government expense portion of the Statement of Activities. There was \$3,985,000 debt related to these capital assets.

Depreciation expense is allocated to the following activities:

Parks and recreation	\$ 40,132
Fire protection	74,417
General township	<u>133,897</u>
	<u>\$ 248,446</u>

CHARTER TOWNSHIP OF SPRINGFIELD  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2005

NOTE 6 - LONG-TERM DEBT

	Balance 1/1/05	Additions	Deletions	Balance 12/31/05	Current Portion
The Township sold bonds to finance the construction of the Civic Center; Principle is payable in annual installment of \$95,000 to \$385,000 starting May 1, 2002 to 2020; interest is charged at 4.875% to 5.125% payable semi-annually.	\$ 4,145,000	\$	\$ 160,000	\$ 3,985,000000	\$ 170,000

Future principle and interest payments to service the Civic Center debt of the Township:

	Bonds Payable	
	Principal	Interest
2006	\$ 170,000	\$ 196,814
2007	180,000	188,283
2008	195,000	179,142
2009	205,000	169,392
2010	215,000	159,020
2011 - 2015	1,295,000	613,293
2016 - 2020	1,725,000	235,228
	<u>\$ 3,985,000</u>	<u>\$ 1,741,172</u>

	Balance 1/1/05	Additions	Deletions	Balance 12/31/05	Current Portion
The Waumegah Lake Board (included in Lake Board Funds - Component Unit) borrowed \$150,000 from Oakland County to finance project costs; principle is payable in annual installments of \$16,667; interest is charged at 1.73%; maturity date is March 1, 2013.	\$ 150,000	\$	\$ 16,667	\$ 133,333	\$ 16,667

Future principle and interest payments to service the debt between the Lake Board and Oakland County:

	Contract Payable	
	Principal	Interest
2006	\$ 16,667	\$ 2,090
2007	16,667	1,802
2008	16,667	1,514
2009	16,667	1,225
2010	16,667	937
2011 - 2013	49,998	1,081
	<u>\$ 133,333</u>	<u>\$ 8,649</u>

CHARTER TOWNSHIP OF SPRINGFIELD  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2005

**NOTE 7 - DEPOSITS WITH FINANCIAL INSTITUTIONS**

Michigan Compiled Laws, Section 129.91, authorizes the Township to deposit and invest in the accounts of Federally insured banks, credit union, and savings and loan associations; bonds, securities and other direct obligations of the United States, or any agency or instrumentality of the United States; United States government or Federal Agency obligation repurchase agreements; bankers; acceptance of United States banks; commercial paper rated by two standard rating agencies within the two highest classifications, which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions which are rated investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan. Financial institutions eligible for deposit of public funds must maintain an office in Michigan. The Township's deposits and investments are in accordance with statutory authority. The Township maintains a \$900 petty cash account.

The Governmental Accounting Standards Board Statement No. 3 risk disclosures for the Township's deposits and investments are as follows:

<u>Deposits</u>	<u>Primary Government</u>	<u>Fiduciary Funds</u>	<u>Total</u>	<u>Bank Balance</u>
Insured	\$ 600,000	\$	\$ 600,000	600,000
Uninsured and uncollateralized	<u>3,644,808</u>	<u>1,026,510</u>	<u>4,671,318</u>	<u>5,262,231</u>
Total deposits	<u>\$ 4,244,808</u>	<u>\$ 1,026,510</u>	<u>\$ 5,271,318</u>	<u>\$ 5,862,231</u>

**NOTE 8 - CONTINGENT LIABILITIES**

The Township is involved in various legal actions arising in the normal course of business. In the opinion of management, such matters will not have a material effect upon the financial position of the Township.

**NOTE 9 - PRIOR PERIOD ADJUSTMENT - GENERAL FUND**

There was one adjustment made directly to fund balance (equity) as part of the audit. Explanation is as follows:

In prior year, fund balance was increased for the amount of a loan made by the General Fund to the Bridge Lake Road Fund. The offset was to a receivable "advance to other fund". Each year as repayments are made from the Bridge Lake Road Fund to the General Fund the "advance to other funds" account and fund balance is decreased in the General Fund for the amount of repayment. The repayment in 2005 was \$18,514.

Net effect in General Fund for above:

Repayment from Bridge Lake Road Fund	<u>\$ (18,514)</u>
Net adjustment in General Fund	<u>\$ (18,514)</u>



CHARTER TOWNSHIP OF SPRINGFIELD  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2005

**NOTE 10 - LAKE BOARDS (COMPONENT UNIT) ADJUSTMENT TO ASSESSMENTS  
RECEIVABLE AND DEFERRED REVENUE**

In prior years the Township recorded certain assessments receivable and deferred revenue for a total amount covering more than one future year in the initial year of approval by the lake board. After complete review of the lake board's agreements regarding the aforementioned assessments, management believes the proper method of recording these assessments is to only record one year's revenue in each year the assessment is levied. This is due to the fact that these certain assessments are truly for annual maintenance and could not be collected by the lake boards if the assessment went delinquent. Thus, the township adjusted the receivables and deferred revenue accounts down to reflect true balances reflecting only true long-term assessments which places liens on property. The net adjustment in 2005 to the revenue and expenditures section was Ø for fund accounting and a decrease in change of assets of \$155,013 for the statement of activities.

**NOTE 11 – RECONCILIATION OF FUND FINANCIAL STATEMENTS  
TO GOVERNMENT – WIDE FINANCIAL STATEMENTS**

Amounts reported for governmental activities in the statement of net assets are different because:

Total fund balance per balance sheet		\$ 3,911,848
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:		
Cost of capital assets	\$10,248,228	
Depreciation	<u>(1,809,192)</u>	
Capital assets net of depreciation		8,439,036
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These include:		
Capital leases payable	(170,000)	
Bonds payable	<u>(3,815,000)</u>	
Total		(3,985,000)
Deferred revenues on special assessments was recognized as revenue in the government-wide statements. Assessments are income as they are assessed.		<u>10,751</u>
Net assets of governmental activities		<u>\$ 8,376,635</u>

CHARTER TOWNSHIP OF SPRINGFIELD  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2005

**NOTE 11 – RECONCILIATION OF FUND FINANCIAL STATEMENTS  
TO GOVERNMENT – WIDE FINANCIAL STATEMENTS – (continued)**

Amounts reported for Lake Boards - Component Unit Activities in the statement of net assets are different because:

Total fund balance per balance sheet	\$ 98,472
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Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These include:

Contract payable - due to county	(133,333)
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Deferred revenues on special assessments was recognized as revenue in the government-wide statements. Assessments and income as they are assessed.	<u>444,948</u>
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Net assets per statement of net assets	<u>\$ 410,087</u>
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Amounts reported for governmental activities in the Statement of Activities are different because:

Net change in fund balances - governmental funds	\$ 80,178
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Governmental funds report capital outlay as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their useful lives as depreciation expense. The amount by which capital outlays exceeded depreciation is as follows:

Capital outlay	\$ 201,219
Depreciation expense	<u>(263,100)</u>
Net	(61,881)

Repayment of bond and contract payable is an expenditure in the governmental funds, but the repayment deducts long-term liabilities in the Statement of Net Assets.

Repayment of Bonds payable	160,000
Amounts repaid to the General Fund - interfund loan	<u>(18,514)</u>
Total	141,486

Principal received on special assessments are income as they are levied annually for governmental funds, but they are income when they are levied for the Statement of Activities

Principal collected on assessments	<u>(50,356)</u>
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Change in net assets of governmental activities	<u>\$ 109,427</u>
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There were no reconciling items for the component unit - library.

CHARTER TOWNSHIP OF SPRINGFIELD  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2005

**NOTE 11 – RECONCILIATION OF FUND FINANCIAL STATEMENTS  
TO GOVERNMENT – WIDE FINANCIAL STATEMENTS – (continued)**

Amounts reported for Lake Boards - Component Unit activities  
in the Statement of Activities are different because:

Net change in fund balances - Lake Boards Component Unit	\$ (89,422)
Repayment of Contract payable - Oakland County is and expenditure in the Governmental Funds, but the repayment deducts long-term liabilities in statement of net assets	16,667
Principal received on special assessments are income as they are levied annually for governmental funds, but they are income when they are levied for the Statement of Activities:	
Principal collected on assessments	(215,501)
Adjustment of deferred revenue	<u>(152,634)</u>
Total	<u>(370,514)</u>
Change in assets of Lake Boards - Component Unit	<u>\$ 52,584</u>

There were no reconciling items for the Component Unit - Library

CHARTER TOWNSHIP OF SPRINGFIELD  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2005

NOTE 12 – FEDERAL GRANT ACTIVITIES

The Township participates in a Community Development Block Grant (CDBG) consortium passed through Oakland County. The CDBG fiscal period is from May 1 to April 30. The County performs a full compliance audit on the Township's program performance. The most recent audit has been completed for the period dated May 1, 2004 to April 30, 2005.

REQUIRED  
SUPPLEMENTARY  
INFORMATION

CHARTER TOWNSHIP OF SPRINGFIELD  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2005

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 615,500	\$ 615,500	\$ 621,151	\$ 5,651
Business license permits	800	800	829	29
State shared revenues	818,000	870,000	862,045	(7,955)
CDA reimbursement	3,000	14,000	14,654	654
State grant			35,936	35,936
Other local revenue	225,200	282,050	329,180	47,130
District courts	15,000	18,400	22,174	3,774
Civic center	200,600	44,000	53,189	9,189
Total revenues	<u>1,878,100</u>	<u>1,844,750</u>	<u>1,939,158</u>	<u>94,408</u>
<b>EXPENDITURES</b>				
Trustees	16,850	16,850	14,505	2,345
Supervisor	134,950	145,550	141,231	4,319
Elections	10,400	10,400	44,983	(34,583)
Assessor	204,000	219,200	205,341	13,859
Clerk	208,150	214,450	209,868	4,582
Board of review	2,350	2,350	2,046	304
Treasurer	177,950	182,950	170,470	12,480
Cemetery	8,800	9,000	7,246	1,754
Web site	14,850	14,850	9,738	5,112
General services	215,350	249,800	231,169	18,631
Civic center operations	200,000	201,100	193,290	7,810
Planning commission	18,300	19,500	17,676	1,824
Planning coordinator	34,300	35,600	34,473	1,127
Zoning board of appeals	6,650	6,650	4,616	2,034
Consultants	153,000	178,650	168,600	10,050
Public works	295,500	184,300	166,511	17,789
Contingency	10,000			
Capital outlay	25,000	30,000	28,855	1,145
Tax tribunal		12,000	4,834	7,166
Total expenditures	<u>1,736,400</u>	<u>1,733,200</u>	<u>1,655,452</u>	<u>77,748</u>
Excess of revenues over (under) expenditures	<u>141,700</u>	<u>111,550</u>	<u>283,706</u>	<u>172,156</u>
<b>OTHER FINANCING SOURCES AND (USES)</b>				
Appropriation of prior year fund balance - Road	150,000			
Appropriation of prior year fund balance - General	116,500	277,700		(277,700)
Appropriation of prior year fund balance - Civic		60,000		(60,000)
Transfers (out)	<u>(395,550)</u>	<u>(449,200)</u>	<u>(449,200)</u>	
Total other financing sources and (uses)	<u>(129,050)</u>	<u>(111,500)</u>	<u>(449,200)</u>	<u>(337,700)</u>
Excess (deficiency) of revenues over expenditures and other financing sources and (uses)	<u>12,650</u>	<u>50</u>	<u>(165,494)</u>	<u>(165,544)</u>

CHARTER TOWNSHIP OF SPRINGFIELD  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL – (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
FUND BALANCE, JANUARY 1, 2005 BEFORE PRIOR PERIOD ADJUSTMENT	\$ 1,999,166	\$ 1,999,166	\$ 1,999,166	\$
PRIOR PERIOD ADJUSTMENT				
Budget appropriations	(266,500)	(337,700)		337,700
Other adjustments			(18,514)	(18,514)
FUND BALANCE, JANUARY 1, 2005 AFTER PRIOR PERIOD ADJUSTMENTS	<u>1,732,666</u>	<u>1,661,466</u>	<u>1,980,652</u>	<u>319,186</u>
FUND BALANCE, DECEMBER 31, 2005	<u>\$ 1,745,316</u>	<u>\$ 1,661,516</u>	<u>\$ 1,815,158</u>	<u>\$ 153,642</u>

CHARTER TOWNSHIP OF SPRINGFIELD  
FIRE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2005

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 526,600	\$ 526,600	\$ 530,287	\$ 3,687
Cable fees		66,900	90,788	23,888
Grant	172,000			
State revenue sharing		44,000	44,335	335
Court collection fees	500	500	542	42
Charges for services – building department	1,000	400	420	20
Fire runs	24,000	24,000	32,483	8,483
Civil infractions			225	225
Interest	10,000	23,000	34,298	11,298
Sale of assets		6,500	6,500	
Miscellaneous			120	120
Insurance claim		5,000	5,312	312
Rent	10,000	9,000	10,930	1,930
Total revenues	744,100	705,900	756,240	50,340
EXPENDITURES				
Building and grounds	26,100	26,100	16,028	10,072
Station #3 site	3,000	3,000	1,372	1,628
Capital outlay	235,000	135,000	7,056	127,944
Personnel	342,000	342,000	298,059	43,941
General expenses	108,200	108,200	60,981	47,219
Equipment	35,900	35,900	31,953	3,947
Fund reserves		15,000		15,000
Tax tribunal		7,000	4,344	2,656
Total expenditures	750,200	672,200	419,793	252,407
Excess of revenues over (under) expenditures	(6,100)	33,700	336,447	302,747
FUND BALANCE, JANUARY 1, 2005	880,960	880,960	880,960	
FUND BALANCE, DECEMBER 31, 2005	\$ 874,860	\$ 914,660	\$ 1,217,407	\$ 302,747



CHARTER TOWNSHIP OF SPRINGFIELD  
POLICE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2005

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 1,164,000	\$ 1,174,000	\$ 1,174,815	\$ 815
Liquor license fees	5,000	5,000	5,641	641
Interest	10,000	10,000	28,339	18,339
Mini contracts	10,000	10,000	11,085	1,085
Miscellaneous revenue			921	921
Total revenues	<u>1,189,000</u>	<u>1,199,000</u>	<u>1,220,801</u>	<u>21,801</u>
EXPENDITURES				
Contracted services	1,192,000	1,193,000	1,190,885	2,115
Mini contracts	10,000	10,000	9,923	77
Repairs and maintenance		8,000		8,000
Refund		8,800	8,704	96
Miscellaneous	<u>1,000</u>	<u>1,000</u>	<u>501</u>	<u>499</u>
Total expenditures	<u>1,203,000</u>	<u>1,220,800</u>	<u>1,210,013</u>	<u>10,787</u>
Excess of revenues over (under) expenditures	<u>(14,000)</u>	<u>(21,800)</u>	<u>10,788</u>	<u>32,588</u>
OTHER FINANCING SOURCES (USES)				
Transfers in		8,000	8,000	
Appropriation of prior year fund balance	<u>14,000</u>	<u>14,000</u>		<u>(14,000)</u>
Total other financing sources and (uses)	<u>14,000</u>	<u>22,000</u>	<u>8,000</u>	<u>(14,000)</u>
Excess of revenues over (under) expenditures and other financing sources		200	18,788	18,588
FUND BALANCE, JANUARY 1, 2005 BEFORE PRIOR PERIOD ADJUSTMENTS	366,848	366,848	366,848	
PRIOR PERIOD ADJUSTMENT – BUDGET APPROPRIATION	<u>(14,000)</u>	<u>(14,000)</u>		<u>14,000</u>
FUND BALANCE, DECEMBER 31, 2005	<u>\$ 352,848</u>	<u>\$ 353,048</u>	<u>\$ 385,636</u>	<u>\$ 32,588</u>

SUPPLEMENTARY  
INFORMATION

COMBINING  
FINANCIAL  
STATEMENTS

CHARTER TOWNSHIP OF SPRINGFIELD  
ALL SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2005

	<u>Fire Fund</u>	<u>Police Fund</u>	<u>Cemetery Fund</u>	<u>Parks and Recreation Fund</u>	<u>Softwater Lake Improvement Fund</u>
<u>ASSETS</u>					
ASSETS					
Cash and cash equivalents	\$ 1,251,967	\$ 671,966	\$ 31,219	\$ 122,280	\$ 14,268
Taxes receivable	398,752	915,045			
Special assessments receivable					6,283
Accounts receivable				4,227	
Due from other funds	89,667	206,453		1,054	796
Accrued receivable-fire runs	<u>48,137</u>	<u></u>	<u></u>	<u></u>	<u></u>
Total assets	<u>\$ 1,788,523</u>	<u>\$ 1,793,464</u>	<u>\$ 31,219</u>	<u>\$ 127,561</u>	<u>\$ 21,347</u>
 <u>LIABILITIES AND FUND BALANCE</u>					
LIABILITIES					
Accounts payable	\$ 4,598	\$ 106,510	\$	\$ 5,795	\$
Deferred revenue	566,518	1,301,318		1,016	9,734
Due to other funds	<u></u>	<u></u>	<u></u>	<u>400</u>	<u></u>
Total liabilities	571,116	1,407,828		7,211	9,734
FUND BALANCE	<u>1,217,407</u>	<u>385,636</u>	<u>31,219</u>	<u>120,350</u>	<u>11,613</u>
Total liabilities and fund balance	<u>\$ 1,788,523</u>	<u>\$ 1,793,464</u>	<u>\$ 31,219</u>	<u>\$ 127,561</u>	<u>\$ 21,347</u>

Cable Television Fund	Building Department Fund	Shiawassee Basin Fund	Totals	Component Units	
				Library Fund	Lake Board Funds
\$ 144,911	\$ 65,285	\$ 30,519	\$ 2,332,415 1,313,797	\$ 59,167 185,948	\$ 142,272
			6,283		378,093
9,063			13,290		
		400	298,370	41,954	25,431
			48,137		
<u>\$ 153,974</u>	<u>\$ 65,285</u>	<u>\$ 30,919</u>	<u>\$ 4,012,292</u>	<u>\$ 287,069</u>	<u>\$ 545,796</u>
\$ 1,300	\$ 9,738	\$ 3,910	\$ 131,851 1,878,586 400	\$ 1,439 264,443	\$ 2,376 444,948
1,300	9,738	3,910	2,010,837	265,882	447,324
<u>152,674</u>	<u>55,547</u>	<u>27,009</u>	<u>2,001,455</u>	<u>21,187</u>	<u>98,472</u>
<u>\$ 153,974</u>	<u>\$ 65,285</u>	<u>\$ 30,919</u>	<u>\$ 4,012,292</u>	<u>\$ 287,069</u>	<u>\$ 545,796</u>

CHARTER TOWNSHIP OF SPRINGFIELD  
ALL DEBT SERVICE FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2005

	<u>Civic Center Fund</u>	<u>Bridge Lake Fund</u>	<u>Totals</u>
<u>ASSETS</u>			
ASSETS			
Cash and cash equivalents	\$ 79,740	\$ 68,572	\$ 148,312
Taxes receivable	277,956		277,956
Special assessments receivable			
Due from other funds	<u>62,712</u>	<u>1,545</u>	<u>64,257</u>
Total assets	<u>\$ 420,408</u>	<u>\$ 70,117</u>	<u>\$ 490,525</u>
 <u>LIABILITIES AND FUND BALANCE</u>			
LIABILITIES			
Deferred revenue	\$ 395,290	\$	\$ 395,290
FUND BALANCE			
Fund balance	<u>25,118</u>	<u>70,117</u>	<u>95,235</u>
Total liabilities and fund balance	<u>\$ 420,408</u>	<u>\$ 70,117</u>	<u>\$ 490,525</u>

CHARTER TOWNSHIP OF SPRINGFIELD  
ALL TRUST AND AGENCY FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2005

	<u>Trust And Agency Fund</u>	<u>Current Tax Fund</u>	<u>Totals</u>
<u>ASSETS</u>			
ASSETS			
Cash and cash equivalents	\$ 69,577	\$ 956,933	\$ 1,026,510
Total assets	<u>\$ 69,577</u>	<u>\$ 956,933</u>	<u>\$ 1,026,510</u>
 <u>LIABILITIES</u>			
LIABILITIES			
Due to others	\$ 67,965	\$ 383,355	\$ 451,320
Due to other funds	<u>1,612</u>	<u>573,578</u>	<u>575,190</u>
Total liabilities	<u>\$ 69,577</u>	<u>\$ 956,933</u>	<u>\$ 1,026,510</u>

CHARTER TOWNSHIP OF SPRINGFIELD  
ALL SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2005

	Fire Fund	Police Fund	Cemetery Fund	Parks and Recreation Fund	Softwater Lake Improvement Fund
REVENUES					
Taxes	\$ 530,287	\$ 1,174,815	\$	\$	\$
Grant					
Cable fees	90,788				
State revenue sharing	44,335				
Special assessments					9,734
Special assessment interest					
State Aid					
Fees	542	5,641			
Charges for services	32,903	11,085	1,312	70,972	
Civil infractions	225				
Penal fines					
Reimbursements				8,143	
CDBG reimbursement					
Rent	10,930			8,154	
Interest	34,298	28,339	902	6,711	94
Sale of assets	6,500				
Contributions				10,813	
Miscellaneous	5,432	921		292	
Total revenues	<u>756,240</u>	<u>1,220,801</u>	<u>2,214</u>	<u>105,085</u>	<u>9,828</u>
EXPENDITURES					
Parks				425,625	
Fire	419,793				
Police		1,210,013			
Contractual services					6,540
Building department					
Cable					
Shiawassee basin					
Library					
Total expenditures	<u>419,793</u>	<u>1,210,013</u>		<u>425,625</u>	<u>6,540</u>
Excess of revenues over (under) expenditures	<u>336,447</u>	<u>10,788</u>	<u>2,214</u>	<u>(320,540)</u>	<u>3,288</u>
OTHER FINANCING SOURCES					
Transfers in		8,000		288,350	
Total other financing sources		<u>8,000</u>		<u>288,350</u>	
Excess of revenues over (under) expenditures and other financing sources (uses)	336,447	18,788	2,214	(32,190)	3,288
FUND BALANCE, JANUARY 1, 2005	<u>880,960</u>	<u>366,848</u>	<u>29,005</u>	<u>152,540</u>	<u>8,325</u>
FUND BALANCE, DECEMBER 31, 2005	<u>\$ 1,217,407</u>	<u>\$ 385,636</u>	<u>\$ 31,219</u>	<u>\$ 120,350</u>	<u>\$ 11,613</u>



Cable Television Fund	Building Department Fund	Shiawassee Basin Fund	Totals	Component Units	
				Library Fund	Lake Board Funds
\$	\$	\$	\$ 1,705,102	\$ 248,125	\$
34,586			125,374		
			44,335	647	
			9,734		215,501
					14,629
				11,599	
			6,183	2,300	
	276,747	4,527	397,546	13,625	
			225		
				17,826	
			8,143		
		19,480	38,564		
3,908	1,260	3,169	78,681	3,731	5,232
			6,500		
		250	11,063	2,710	
	351		6,996	198	
<u>38,494</u>	<u>278,358</u>	<u>27,426</u>	<u>2,438,446</u>	<u>300,761</u>	<u>235,362</u>
			425,625		
			419,793		
			1,210,013		
			6,540		324,784
	350,413		350,413		
15,585			15,585		
		215,359	215,359		
				315,569	
<u>15,585</u>	<u>350,413</u>	<u>215,359</u>	<u>2,643,328</u>	<u>315,569</u>	<u>324,784</u>
<u>22,909</u>	<u>(72,055)</u>	<u>(187,933)</u>	<u>(204,882)</u>	<u>(14,808)</u>	<u>(89,422)</u>
	45,650	92,200	434,200	15,000	
	45,650	92,200	434,200	15,000	
22,909	(26,405)	(95,733)	229,318	192	(89,422)
<u>129,765</u>	<u>81,952</u>	<u>122,742</u>	<u>1,772,137</u>	<u>20,995</u>	<u>187,894</u>
<u>\$ 152,674</u>	<u>\$ 55,547</u>	<u>\$ 27,009</u>	<u>\$ 2,001,455</u>	<u>\$ 21,187</u>	<u>\$ 98,472</u>

CHARTER TOWNSHIP OF SPRINGFIELD  
ALL DEBT SERVICE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2005

	Civic Center Fund	Bridge Lake Road Fund	Totals
REVENUES			
Property taxes	\$ 368,220	\$	\$ 368,220
Special assessments		28,819	28,819
Special assessments - interest		1,028	1,028
Interest	<u>4,593</u>	<u>1,466</u>	<u>6,059</u>
Total revenues	<u>372,813</u>	<u>31,313</u>	<u>404,126</u>
EXPENDITURES			
Bond repayment			
Principal	160,000	18,515	178,515
Interest	204,858	1,111	205,969
Miscellaneous	<u>3,288</u>	<u></u>	<u>3,288</u>
Total expenditures	<u>368,146</u>	<u>19,626</u>	<u>387,772</u>
Excess of revenues over (under) expenditures	4,667	11,687	16,354
FUND BALANCE, JANUARY 1, 2005	<u>20,451</u>	<u>58,430</u>	<u>78,881</u>
FUND BALANCE, DECEMBER 31, 2005	<u>\$ 25,118</u>	<u>\$ 70,117</u>	<u>\$ 95,235</u>

INDIVIDUAL  
FUNDS

GENERAL  
FUND

CHARTER TOWNSHIP OF SPRINGFIELD  
GENERAL FUND  
BALANCE SHEET  
DECEMBER 31, 2005

ASSETS

ASSETS

Cash and cash equivalents	\$ 1,563,542	
Taxes receivable	443,407	
State shared revenue receivable	304,575	
Accounts receivable - other	9,906	
Due from other funds	146,632	
Prepaid expenditures	<u>8,994</u>	
Total assets		<u>\$ 2,477,056</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 30,307	
Due to other funds	1,054	
Deferred revenue	<u>630,537</u>	
Total liabilities		\$ 661,898

FUND BALANCE

Reserved - Roads	338,445	
Reserved – Civic Center	592,682	
Unreserved	<u>884,031</u>	
Total fund balance		<u>1,815,158</u>
Total liabilities and fund balance		<u>\$ 2,477,056</u>

CHARTER TOWNSHIP OF SPRINGFIELD  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2005

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>			
Taxes	\$ 615,500	\$ 621,151	\$ 5,651
Business license permits	800	829	29
State shared revenues	870,000	862,045	(7,955)
CDA reimbursement	14,000	14,654	654
State Grant		35,936	35,936
Other local revenue	282,050	329,180	47,130
District courts	18,400	22,174	3,774
Civic center	44,000	53,189	9,189
Total revenues	1,844,750	1,939,158	94,408
<b>EXPENDITURES</b>			
Trustees	16,850	14,505	2,345
Supervisor	145,550	141,231	4,319
Elections	10,400	44,983	(34,583)
Assessor	219,200	205,341	13,859
Clerk	214,450	209,868	4,582
Board of review	2,350	2,046	304
Treasurer	182,950	170,470	12,480
Cemetery	9,000	7,246	1,754
Web site	14,850	9,738	5,112
General services	249,800	231,169	18,631
Civic center operations	201,100	193,290	7,810
Planning commission	19,500	17,676	1,824
Planning Coordinator	35,600	34,473	1,127
Zoning board of appeals	6,650	4,616	2,034
Consultants	178,650	168,600	10,050
Public works	184,300	166,511	17,789
Capital outlay	30,000	28,855	1,145
Tax tribunal	12,000	4,834	7,166
Total expenditures	1,733,200	1,655,452	77,748
Excess of revenues over (under) expenditures	111,550	283,706	172,156
<b>OTHER FINANCING SOURCES AND (USES)</b>			
Appropriation of prior year fund balance - general	277,700		(277,700)
Appropriation of prior year fund balance - civic	60,000		(60,000)
Transfers (out)	(449,200)	(449,200)	
Total other financing sources and (uses)	(111,500)	(449,200)	(337,700)
Excess of revenues over (under) expenditures and other financing (uses)	50	(165,494)	(165,544)
<b>FUND BALANCE, JANUARY 1, 2005 BEFORE PRIOR PERIOD ADJUSTMENTS</b>	1,999,166	1,999,166	
<b>PRIOR PERIOD ADJUSTMENT</b>			
Budget appropriations	(337,700)		337,700
Other adjustments		(18,514)	(18,514)
<b>FUND BALANCE, JANUARY 1, 2005 AFTER PRIOR PERIOD ADJUSTMENTS</b>	1,661,466	1,980,652	319,186
<b>FUND BALANCE, DECEMBER 31, 2005</b>	\$ 1,661,516	\$ 1,815,158	\$ 153,642

CHARTER TOWNSHIP OF SPRINGFIELD  
GENERAL FUND  
STATEMENT OF REVENUES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>TAXES</b>			
Current tax collection	\$ 587,000	\$ 590,159	\$ 3,159
Delinquent personal property tax	500	1,347	847
Mobile home fees	3,000	2,734	(266)
Penalties and collection	<u>25,000</u>	<u>26,911</u>	<u>1,911</u>
Total taxes	<u>615,500</u>	<u>621,151</u>	<u>5,651</u>
<b>BUSINESS LICENSE PERMITS</b>	<u>800</u>	<u>829</u>	<u>29</u>
<b>STATE SHARED REVENUES</b>	<u>870,000</u>	<u>862,045</u>	<u>(7,955)</u>
<b>CDA REIMBURSEMENT</b>	<u>14,000</u>	<u>14,654</u>	<u>654</u>
<b>STATE GRANT</b>	<u></u>	<u>35,936</u>	<u>35,936</u>
<b>OTHER LOCAL REVENUE</b>			
Charge for services	19,000	20,843	1,843
Charge for services – building fund	25,800	29,220	3,420
Charge for services - telephone	4,000	4,106	106
Charge for service – lake boards	1,300		(1,300)
Board of appeals	7,000	8,160	1,160
Plan review charges	118,000	122,609	4,609
Phase II project	37,000	40,455	3,455
West Nile virus	1,400	1,463	63
Cemetery lots	800	1,313	513
Native plant CD	100	126	26
Civil infractions	150	450	300
Interest and dividends	26,000	58,246	32,246
Contribution – road improvements	4,500	4,500	
Right-of way fee	8,100	8,143	43
Miscellaneous	3,000	3,152	152
Sundry receipts	5,700	5,716	16
Lighting special assessment	700	1,052	352
Bridge Lake Road loan advance repay	<u>19,500</u>	<u>19,626</u>	<u>126</u>
Total other local revenues	<u>282,050</u>	<u>329,180</u>	<u>47,130</u>
<b>DISTRICT COURTS</b>	<u>18,400</u>	<u>22,174</u>	<u>3,774</u>
<b>CIVIC CENTER</b>			
Interest – Civic Center	14,000	18,047	4,047
Charge for service – rent and facility	<u>30,000</u>	<u>35,142</u>	<u>5,142</u>
Total Civic Center	<u>44,000</u>	<u>53,189</u>	<u>9,189</u>
Total revenues	<u>\$ 1,844,750</u>	<u>\$ 1,939,158</u>	<u>\$ 94,408</u>

CHARTER TOWNSHIP OF SPRINGFIELD  
GENERAL FUND  
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>TRUSTEES</b>			
Salaries	\$ 14,000	\$ 11,700	\$ 2,300
Payroll taxes	1,100	895	205
Life insurance	250	143	107
Conferences	<u>1,500</u>	<u>1,767</u>	<u>(267)</u>
Total trustees	<u>16,850</u>	<u>14,505</u>	<u>2,345</u>
<b>SUPERVISOR</b>			
Supervisor's salary	64,500	63,800	700
Administrative assistant	31,000	31,000	
MESC	7,000	6,416	584
Payroll taxes	7,300	7,229	71
Retirement	7,100	7,107	(7)
Life/disability insurance	1,750	1,115	635
Hospitalization	24,400	22,541	1,859
Office supplies	100	307	(207)
Contractual services		73	(73)
Conferences - dues	1,300	1,043	257
Mileage	<u>1,100</u>	<u>600</u>	<u>500</u>
Total supervisor	<u>145,550</u>	<u>141,231</u>	<u>4,319</u>
<b>ELECTIONS</b>			
Office supplies	300	450	(150)
Postage		203	(203)
Contractual services		172	(172)
Equipment and supplies	8,000	43,997	(35,997)
Meetings		80	(80)
Mileage	100	81	19
Maintenance/licensing	<u>2,000</u>	<u></u>	<u>2,000</u>
Total elections	<u>10,400</u>	<u>44,983</u>	<u>(34,583)</u>
<b>ASSESSOR</b>			
Chief assessor salary	50,900	50,000	900
Assistant assessor	37,000	37,000	
Appraiser I	27,800	24,514	3,286
Clerk	25,300	25,100	200
Payroll taxes	14,000	10,165	3,835
Retirement	9,000	8,404	596
Life/disability insurance	2,000	1,692	308
Hospitalization	35,700	33,999	1,701
Office supplies	1,500	2,382	(882)
Postage	3,200	2,078	1,122
Contract clerical	5,000	5,000	
Computer consultants	2,000	585	1,415
Conferences	3,000	2,257	743
Mileage	2,500	2,103	397
Printing and publishing	<u>300</u>	<u>62</u>	<u>238</u>
Total assessor	<u>219,200</u>	<u>205,341</u>	<u>13,859</u>



CHARTER TOWNSHIP OF SPRINGFIELD  
GENERAL FUND  
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL  
(continued)  
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>CLERK</b>			
Clerk's salary	55,250	54,700	550
Deputy clerk salary	34,000	34,000	
Clerical-voter registration	30,200	30,100	100
Clerical	26,000	25,900	100
Payroll taxes	11,200	11,046	154
Retirement	10,900	10,850	50
Life/disability insurance	1,900	1,723	177
Hospitalization	37,800	35,008	2,792
Office supplies	2,000	1,336	664
Equipment under \$10,000		485	(485)
Computer consultants	3,500	2,613	887
Conferences	1,200	1,544	(344)
Mileage	500	563	(63)
	<u>214,450</u>	<u>209,868</u>	<u>4,582</u>
Total clerk			
<b>BOARD OF REVIEW</b>			
Salaries	2,000	1,800	200
Payroll taxes	150	138	12
Conferences	100		100
Printing and publication	100	108	(8)
	<u>2,350</u>	<u>2,046</u>	<u>304</u>
Total board of review			
<b>TREASURER</b>			
Treasurer's salary	55,250	54,700	550
Deputy treasurer	33,100	32,380	720
Clerical – part time	15,000	10,228	4,772
Clerical	25,300	25,100	200
MESC	8,300	8,294	6
Payroll taxes	9,900	9,340	560
Retirement	6,700	6,133	567
Life/disability insurance	1,400	1,243	157
Hospitalization	1,000	709	291
Office supplies	1,000	276	724
Postage	7,500	6,408	1,092
Computer services	13,100	11,650	1,450
Computer consultant	3,000	2,921	79
Conferences	1,200	360	840
Mileage	1,200	728	472
	<u>182,950</u>	<u>170,470</u>	<u>12,480</u>
Total treasurer			
<b>CEMETERY</b>			
Supplies	200	135	65
Software	800	718	82
Repairs and maintenance	5,000	6,393	(1,393)
Anderson cemetery donation	3,000		3,000
	<u>9,000</u>	<u>7,246</u>	<u>1,754</u>
Total cemetery			

CHARTER TOWNSHIP OF SPRINGFIELD  
GENERAL FUND  
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL  
(continued)  
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
WEB SITE			
Personnel	1,000	870	130
Social security		65	(65)
Supplies	250	1,286	(1,036)
Consultants	12,000	7,356	4,644
Web host	500		500
Miscellaneous	100		100
Software	<u>1,000</u>	<u>161</u>	<u>839</u>
Total web site	<u>14,850</u>	<u>9,738</u>	<u>5,112</u>
GENERAL SERVICES			
Office supplies	8,000	8,441	(441)
Operating supplies	2,400	2,193	207
Native plants CD supplies	100	82	18
Postage	16,000	14,755	1,245
Accounting and auditing	20,800	20,345	455
Recording secretary services	3,200	3,164	36
Attorney fees	55,000	48,567	6,433
Computer service		1,300	(1,300)
Computer consultant	22,000	21,200	800
Community development expense	18,000	11,900	6,100
Dues and subscriptions	7,700	7,514	186
Telephone	13,500	12,307	1,193
Mileage	200	202	(2)
Cleanup - fall and spring	12,000	11,677	323
No haz expense	7,500	7,282	218
Youth activities	7,000	7,000	
Printing and publishing	6,300	5,094	1,206
Insurance and bonds	43,000	42,751	249
Repair and maintenance	6,000	4,999	1,001
Refund	1,000	300	700
Miscellaneous	<u>100</u>	<u>96</u>	<u>4</u>
Total general services	<u>249,800</u>	<u>231,169</u>	<u>18,631</u>
CIVIC CENTER OPERATIONS			
Maintenance pay	500	455	45
Social security	50	35	15
Maintenance supplies	150	84	66
equipment under \$10,000	10,000	8,731	1,269
Contract services/building management	15,000	15,223	(223)
Consultants	15,000	7,160	7,840
Custodial services	34,000	32,820	1,180
Snow removal	10,000	13,976	(3,976)
Lawn & grounds keeping	4,200	4,010	190
Insurance and bond	7,000	6,712	288
Electric	26,000	25,900	100
Heat	29,000	28,394	606
Repair and maintenance	50,000	49,671	329
Miscellaneous	<u>200</u>	<u>119</u>	<u>81</u>
Total civic center operations	<u>201,100</u>	<u>193,290</u>	<u>7,810</u>

CHARTER TOWNSHIP OF SPRINGFIELD  
GENERAL FUND  
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL  
(continued)  
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>PLANNING COMMISSION</b>			
Salaries	9,700	8,975	725
Payroll taxes	800	687	113
Recording secretary services	3,500	3,429	71
Conferences	4,000	3,316	684
Printing and publishing	<u>1,500</u>	<u>1,269</u>	<u>231</u>
Total planning commission	<u>19,500</u>	<u>17,676</u>	<u>1,824</u>
<b>PLANNING COORDINATOR</b>			
Salaries	28,000	28,000	
Payroll taxes	2,200	2,142	58
Retirement	2,200	2,100	100
Life/disability insurance	300	324	(24)
Hospitalization	1,800	1,837	(37)
Conference	1,000	65	935
Mileage	<u>100</u>	<u>5</u>	<u>95</u>
Total planning coordinator	<u>35,600</u>	<u>34,473</u>	<u>1,127</u>
<b>ZONING BOARD OF APPEALS</b>			
Salaries	4,200	3,230	970
Payroll taxes	300	247	53
Recording secretary	1,000	666	334
Conferences	350	65	285
Printing and publishing	<u>800</u>	<u>408</u>	<u>392</u>
Total zoning board of appeals	<u>6,650</u>	<u>4,616</u>	<u>2,034</u>
<b>CONSULTANTS</b>			
Engineers	7,000	6,935	65
Planner	26,500	19,131	7,369
Plan review fees	80,000	79,068	932
Contract services	1,000	500	500
Phase II project	63,000	61,816	1,184
West Nile virus	<u>1,150</u>	<u>1,150</u>	
Total consultants	<u>178,650</u>	<u>168,600</u>	<u>10,050</u>
<b>PUBLIC WORKS</b>			
Road matching	35,000	34,464	536
Chloride	61,000	60,884	116
Graveling	50,100	50,040	60
Streetlighting	21,000	20,929	71
Tornado sirens	17,000		17,000
Miscellaneous	<u>200</u>	<u>194</u>	<u>6</u>
Total public works	<u>184,300</u>	<u>166,511</u>	<u>17,789</u>
<b>CAPITAL OUTLAY</b>	<u>30,000</u>	<u>28,855</u>	<u>1,145</u>
<b>TAX TRIBUNAL</b>	<u>12,000</u>	<u>4,834</u>	<u>7,166</u>
Total expenditures	<u>\$ 1,733,200</u>	<u>\$ 1,655,452</u>	<u>\$ 77,748</u>



FIRE  
FUND

CHARTER TOWNSHIP OF SPRINGFIELD  
FIRE FUND  
BALANCE SHEET  
DECEMBER 31, 2005

ASSETS

ASSETS

Cash and cash equivalents	\$ 1,251,967
Taxes receivable	398,752
Due from other funds	89,667
Accrued receivable – fire runs	<u>48,137</u>

Total assets		<u>\$ 1,788,523</u>
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LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 4,598
Deferred revenue	<u>566,518</u>

Total liabilities		\$ 571,116
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FUND BALANCE

Reserved-buildings	196,963
Unreserved	<u>1,020,444</u>

Total fund balance		<u>1,217,407</u>
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Total liabilities and fund balance		<u>\$ 1,788,523</u>
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CHARTER TOWNSHIP OF SPRINGFIELD  
FIRE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$ 526,600	\$ 530,287	\$ 3,687
Cable fees	66,900	90,788	23,888
State revenue sharing	44,000	44,335	335
Court collection fees	500	542	42
Charges for services – building department	400	420	20
Fire runs	24,000	32,483	8,483
Civil infractions		225	225
Interest	23,000	34,298	11,298
Sale of assets	6,500	6,500	
Miscellaneous		120	120
Insurance claim	5,000	5,312	312
Rent	<u>9,000</u>	<u>10,930</u>	<u>1,930</u>
Total revenues	<u>705,900</u>	<u>756,240</u>	<u>50,340</u>
EXPENDITURES			
Buildings and grounds	26,100	16,028	10,072
Station #3 site	3,000	1,372	1,628
Capital outlay	135,000	7,056	127,944
Personnel	342,000	298,059	43,941
General expenses	108,200	60,981	47,219
Equipment	35,900	31,953	3,947
Fund reserves	15,000		15,000
Tax tribunal	<u>7,000</u>	<u>4,344</u>	<u>2,656</u>
Total expenditures	<u>672,200</u>	<u>419,793</u>	<u>252,407</u>
Excess revenues over (under) expenditures	33,700	336,447	302,747
FUND BALANCE, JANUARY 1, 2005	<u>880,960</u>	<u>880,960</u>	
FUND BALANCE, DECEMBER 31, 2005	<u>\$ 914,660</u>	<u>\$ 1,217,407</u>	<u>\$ 302,747</u>

CHARTER TOWNSHIP OF SPRINGFIELD  
FIRE FUND  
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<b>BUILDING AND GROUNDS</b>			
Operating supplies	\$ 1,100	\$ 691	\$ 409
Custodian	200		200
Electric	3,800	4,912	(1,112)
Heat	6,000	4,816	1,184
Repairs and maintenance	<u>15,000</u>	<u>5,609</u>	<u>9,391</u>
Total building and grounds	<u>26,100</u>	<u>16,028</u>	<u>10,072</u>
<b>STATION #3 SITE</b>			
Electric	400		400
Heat	600		600
Repairs and maintenance	<u>2,000</u>	<u>1,372</u>	<u>628</u>
Total Station #3 site	<u>3,000</u>	<u>1,372</u>	<u>1,628</u>
<b>CAPITAL OUTLAY</b>			
Equipment under \$10,000	15,000	380	14,620
Building and grounds	<u>120,000</u>	<u>6,676</u>	<u>113,324</u>
Total capital outlay	<u>135,000</u>	<u>7,056</u>	<u>127,944</u>
<b>PERSONNEL</b>			
Salaries	130,000	93,303	36,697
Chief and assistant	54,000	53,567	433
Clerical	19,800	17,632	2,168
Day time firefighter	59,000	66,000	(7,000)
Education/training	12,000	13,260	(1,260)
Medical	500	55	445
Payroll taxes	21,000	18,368	2,632
Retirement	8,200	8,624	(424)
Life insurance	1,000	543	457
Hospitalization	29,500	24,832	4,668
Disability insurance	700	871	(171)
Tuition and training	5,000	809	4,191
Conference dues	1,000	80	920
Mileage	<u>300</u>	<u>115</u>	<u>185</u>
Total personnel	<u>342,000</u>	<u>298,059</u>	<u>43,941</u>



CHARTER TOWNSHIP OF SPRINGFIELD  
FIRE FUND  
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL  
(continued)  
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<b>GENERAL EXPENSES</b>			
Office supplies	1,200	941	259
Operating supplies	24,800	803	23,997
Educational supplies	100		100
Fire prevention	1,500	793	707
No Haz-contract services	3,000		3,000
Attorney fees	500	485	15
Court fees	1,000	2,366	(1,366)
Dues and subscription	300	312	(12)
Telephone	5,000	4,156	844
Dispatch	15,000	14,825	175
Printing and publishing	300	575	(275)
Insurance and bond	50,000	27,878	22,122
Office repairs and maintenance	500	380	120
Miscellaneous	1,000	688	312
Bad debt	4,000	6,779	(2,779)
	<u>108,200</u>	<u>60,981</u>	<u>47,219</u>
<b>Total general expenses</b>			
<b>EQUIPMENT</b>			
Equipment under \$10,000		6,105	(6,105)
Personnel supplies	2,500	2,092	408
Medical supplies	2,200	1,836	364
Radio supplies	4,200	775	3,425
Gas and oil	4,500	4,209	291
Truck repairs and maintenance	15,000	14,431	569
Equipment maintenance	5,000	2,077	2,923
Miscellaneous	2,500	428	2,072
	<u>35,900</u>	<u>31,953</u>	<u>3,947</u>
<b>Total equipment</b>			
<b>FUND RESERVES</b>			
Equipment replacement	10,000		10,000
Contingency	5,000		5,000
	<u>15,000</u>		<u>15,000</u>
<b>Total fund reserves</b>			
<b>TAX TRIBUNAL</b>	<u>7,000</u>	<u>4,344</u>	<u>2,656</u>
<b>Total expenditures</b>	<u>\$ 672,200</u>	<u>\$ 419,793</u>	<u>\$ 252,407</u>

POLICE  
FUND

CHARTER TOWNSHIP OF SPRINGFIELD  
POLICE FUND  
BALANCE SHEET  
DECEMBER 31, 2005

ASSETS

ASSETS

Cash and cash equivalents	\$ 671,966
Taxes receivable	915,045
Due from other funds	<u>206,453</u>

Total assets		<u>\$ 1,793,464</u>
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LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 106,510
Deferred revenue	<u>1,301,318</u>

Total liabilities		\$ 1,407,828
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FUND BALANCE

	<u>385,636</u>
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Total liabilities and fund balance		<u>\$ 1,793,464</u>
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CHARTER TOWNSHIP OF SPRINGFIELD  
POLICE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$ 1,174,000	\$ 1,174,815	\$ 815
Liquor license fees	5,000	5,641	641
Interest	10,000	28,339	18,339
Mini contracts	10,000	11,085	1,085
Miscellaneous revenue	<u>          </u>	<u>921</u>	<u>921</u>
Total revenues	<u>1,199,000</u>	<u>1,220,801</u>	<u>21,801</u>
EXPENDITURES			
Contracted services	1,193,000	1,190,885	2,115
Mini contracts	10,000	9,923	77
Repairs and maintenance	8,000		8,000
Refund	8,800	8,704	96
Miscellaneous	<u>1,000</u>	<u>501</u>	<u>499</u>
Total expenditures	<u>1,220,800</u>	<u>1,210,013</u>	<u>10,787</u>
Excess revenues over (under) expenditures	<u>(21,800)</u>	<u>10,788</u>	<u>32,588</u>
OTHER FINANCING SOURCES			
Transfers in	8,000	8,000	
Appropriation of prior year fund balance	<u>14,000</u>	<u>          </u>	<u>(14,000)</u>
Total other financing sources and (uses)	<u>22,000</u>	<u>8,000</u>	<u>(14,000)</u>
Excess of revenues over (under) expenditures and other financing sources	200	18,788	18,588
FUND BALANCE, JANUARY 1, 2005	366,848	366,848	
PRIOR PERIOD ADJUSTMENT – BUDGET APPROPRIATION	<u>(14,000)</u>	<u>          </u>	<u>14,000</u>
FUND BALANCE, DECEMBER 31, 2005	<u>\$ 353,048</u>	<u>\$ 385,636</u>	<u>\$ 32,588</u>

PARKS  
AND  
RECREATION  
FUND

CHARTER TOWNSHIP OF SPRINGFIELD  
PARKS AND RECREATION FUND  
BALANCE SHEET  
DECEMBER 31, 2005

ASSETS

ASSETS

Cash and cash equivalents	\$ 122,280
Accounts receivable - other	4,227
Due from other funds	<u>1,054</u>

Total assets		<u>\$ 127,561</u>
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LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 5,795
Due to other funds	400
Deferred revenue	<u>1,016</u>

Total liabilities		\$ 7,211
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FUND BALANCE

	<u>120,350</u>
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Total liabilities and fund balance		<u>\$ 127,561</u>
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CHARTER TOWNSHIP OF SPRINGFIELD  
PARKS AND RECREATION FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
CDA reimbursement	\$ 10,000	\$ 4,523	\$ (5,477)
Fees for services	52,870	46,050	(6,820)
Maintenance services	15,000	8,690	(6,310)
Equipment usage fee	5,000	3,781	(1,219)
Interest income	2,000	6,711	4,711
Pavilion rent	1,700	1,540	(160)
Ticket sales	10,000	9,582	(418)
Contributions	7,000	6,463	(537)
Miscellaneous	500	200	(300)
Sundry receipts	100	91	(9)
Contributions other	4,500	4,350	(150)
Community room rent	7,000	6,614	(386)
Reimburse from cable	4,000	3,620	(380)
Community room-non profit	<u>3,000</u>	<u>2,870</u>	<u>(130)</u>
Total revenues	<u>122,670</u>	<u>105,085</u>	<u>(17,585)</u>
EXPENDITURES			
Personnel	333,411	310,934	22,477
Operating	73,745	43,728	30,017
Utilities	13,000	11,456	1,544
Repairs and maintenance	19,000	15,113	3,887
Other expenses	50,050	38,532	11,518
Contingency	900		900
Supplies and equipment	<u>19,705</u>	<u>5,862</u>	<u>13,843</u>
Total expenditures	<u>509,811</u>	<u>425,625</u>	<u>84,186</u>
Excess of revenues over (under) expenditures	<u>(387,141)</u>	<u>(320,540)</u>	<u>66,601</u>
OTHER FINANCING SOURCES			
Appropriation of prior year fund balance	98,791		(98,791)
Transfers in	<u>288,350</u>	<u>288,350</u>	
Total other financing sources	<u>387,141</u>	<u>288,350</u>	<u>(98,791)</u>
Excess of revenues over (under) expenditures and other financing sources		(32,190)	(32,190)
FUND BALANCE, JANUARY 1, 2005	152,540	152,540	
PRIOR PERIOD ADJUSTMENT BUDGET APPROPRIATION	<u>(98,791)</u>		<u>98,791</u>
FUND BALANCE, DECEMBER 31, 2005	<u>\$ 53,749</u>	<u>\$ 120,350</u>	<u>\$ 66,601</u>

CHARTER TOWNSHIP OF SPRINGFIELD  
PARKS AND RECREATION FUND  
STATEMENT OF EXPENDITURES – BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
EXPENDITURES			
Personnel			
Salaries	\$ 256,076	\$ 235,783	\$ 20,293
Payroll taxes	20,737	17,929	2,808
Retirement	10,648	10,310	338
Life/disability insurance	1,612	1,780	(168)
Hospitalization	23,628	21,389	2,239
Mileage	1,100	885	215
Recording secretary	1,600	1,230	370
Cable service		3,973	(3,973)
Instructor	14,110	15,422	(1,312)
Life guard in service	500		500
Conference, dues	<u>3,400</u>	<u>2,233</u>	<u>1,167</u>
Total personnel	<u>333,411</u>	<u>310,934</u>	<u>22,477</u>
Operating			
Office supplies	2,300	2,687	(387)
Operating supply	8,100	5,776	2,324
Special events	6,295	3,610	2,685
Community center	2,500	2,751	(251)
Legal fees	800	517	283
Gas and oil	800	1,383	(583)
Tickets	10,000	9,222	778
Community promotion	3,950	3,096	854
Printing and publishing	15,000	11,080	3,920
Insurance and bonds	<u>24,000</u>	<u>3,606</u>	<u>20,394</u>
Total operating	<u>73,745</u>	<u>43,728</u>	<u>30,017</u>
Utilities			
Telephone			
Electric	4,000	2,892	1,108
Heat	6,000	5,843	157
	<u>3,000</u>	<u>2,721</u>	<u>279</u>
Total utilities	<u>13,000</u>	<u>11,456</u>	<u>1,544</u>
Repairs and maintenance			
Community center	5,500	3,313	2,187
Parks	11,500	9,232	2,268
Equipment	<u>2,000</u>	<u>2,568</u>	<u>(568)</u>
Total repairs and maintenance	<u>19,000</u>	<u>15,113</u>	<u>3,887</u>



CHARTER TOWNSHIP OF SPRINGFIELD  
PARKS AND RECREATION FUND  
STATEMENT OF EXPENDITURES – BUDGET AND ACTUAL  
(continued)  
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
EXPENDITURES			
Other expenses			
Youth activities	\$ 2,550	\$ 3,479	\$ (929)
Senior citizen programs	8,000	7,798	202
Contractual service	39,250	27,255	11,995
Miscellaneous	<u>250</u>	<u>          </u>	<u>250</u>
Total other expenses	<u>50,050</u>	<u>38,532</u>	<u>11,518</u>
CONTINGENCY	<u>900</u>	<u>          </u>	<u>900</u>
SUPPLIES AND EQUIPMENT	<u>19,705</u>	<u>5,862</u>	<u>13,843</u>
Total expenditures	<u>\$ 509,811</u>	<u>\$ 425,625</u>	<u>\$ 84,186</u>

CEMETERY  
FUND

CHARTER TOWNSHIP OF SPRINGFIELD  
CEMETERY FUND  
BALANCE SHEET  
DECEMBER 31, 2005

ASSETS

ASSETS

Cash and cash equivalents

\$ 31,219

FUND BALANCE

FUND BALANCE

\$ 31,219

CHARTER TOWNSHIP OF SPRINGFIELD  
CEMETERY FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Interest	\$ 100	\$ 902	\$ 802
Sale of cemetery lots	<u>500</u>	<u>1,312</u>	<u>812</u>
Total revenues	600	2,214	1,614
EXPENDITURES	<u>          </u>	<u>          </u>	<u>          </u>
Excess of revenues over (under) expenditures	600	2,214	1,614
FUND BALANCE, JANUARY 1 2005	<u>29,005</u>	<u>29,005</u>	<u>          </u>
FUND BALANCE, DECEMBER 31, 2005	<u><u>\$ 29,605</u></u>	<u><u>\$ 31,219</u></u>	<u><u>\$ 1,614</u></u>

SOFTWATER  
LAKE  
IMPROVEMENT  
FUND

CHARTER TOWNSHIP OF SPRINGFIELD  
SOFTWATER LAKE IMPROVEMENT FUND  
BALANCE SHEET  
DECEMBER 31, 2005

ASSETS

ASSETS

Cash and cash equivalents	\$ 14,268
Special assessment receivable	6,283
Due from other funds	<u>796</u>

Total assets		<u>\$ 21,347</u>
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LIABILITIES AND FUND BALANCE

LIABILITIES

Deferred revenue	\$ 9,734
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FUND BALANCE

<u>11,613</u>
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Total liability and fund balance	<u>\$ 21,347</u>
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CHARTER TOWNSHIP OF SPRINGFIELD  
 SOFTWATER LAKE IMPROVEMENT FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Special assessments	\$ 9,000	\$ 9,734	\$ 734
Interest		<u>94</u>	<u>94</u>
Total revenues	9,000	9,828	828
EXPENDITURES			
Contractual services	<u>9,000</u>	<u>6,540</u>	<u>2,460</u>
Excess of revenues over (under) expenditures		3,288	3,288
FUND BALANCE, JANUARY 1, 2005	<u>8,325</u>	<u>8,325</u>	
FUND BALANCE, DECEMBER 31, 2005	<u><u>\$ 8,325</u></u>	<u><u>\$ 11,613</u></u>	<u><u>\$ 3,288</u></u>

CABLE TELEVISION  
FUND



CHARTER TOWNSHIP OF SPRINGFIELD  
CABLE TELEVISION FUND  
BALANCE SHEET  
DECEMBER 31, 2005

ASSETS

ASSETS

Cash and cash equivalents  
Fees Receivable

\$ 144,911  
9,063

Total assets

\$ 153,974

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable

\$ 1,300

FUND BALANCE

152,674

Total liabilities and fund balance

\$ 153,974

CHARTER TOWNSHIP OF SPRINGFIELD  
CABLE TELEVISION FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Fees	\$ 22,400	\$ 34,586	\$ 12,186
Interest	<u>1,000</u>	<u>3,908</u>	<u>2,908</u>
Total revenues	<u>23,400</u>	<u>38,494</u>	<u>15,094</u>
EXPENDITURES			
Operating supplies	1,500	2,717	(1,217)
Salary		2,644	(2,644)
Payroll taxes		198	(198)
Cable coordinator services	10,500	1,355	9,145
Consultants	2,000		2,000
Attorney fees		1,096	(1,096)
Telephone	100	35	65
Office rent	3,600	3,282	318
Parks and recreation	4,000	3,620	380
Miscellaneous		638	(638)
Equipment	<u>10,000</u>	<u>          </u>	<u>10,000</u>
Total expenditures	<u>31,700</u>	<u>15,585</u>	<u>16,115</u>
Excess of revenues over (under) expenditures	(8,300)	22,909	31,209
OTHER FINANCING SOURCES			
Appropriation of prior year fund balance	<u>8,300</u>	<u>          </u>	<u>(8,300)</u>
Excess of revenues over (under) expenditures and other financing sources		22,909	22,909
FUND BALANCE, JANUARY 1, 2005	129,765	129,765	
PRIOR PERIOD ADJUSTMENT BUDGET APPROPRIATION	<u>(8,300)</u>	<u>          </u>	<u>8,300</u>
FUND BALANCE, DECEMBER 31, 2005	<u>\$ 121,465</u>	<u>\$ 152,674</u>	<u>\$ 31,209</u>

BUILDING  
DEPARTMENT  
FUND

CHARTER TOWNSHIP OF SPRINGFIELD  
BUILDING DEPARTMENT FUND  
BALANCE SHEET  
DECEMBER 31, 2005

ASSETS

ASSETS

Cash and cash equivalents

\$ 65,285

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable

\$ 9,738

FUND BALANCE

55,547

Total liabilities and fund balance

\$ 65,285

CHARTER TOWNSHIP OF SPRINGFIELD  
BUILDING DEPARTMENT FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<b>REVENUES</b>			
Building permits	\$ 145,000	\$ 146,009	\$ 1,009
Electrical permits	45,000	47,626	2,626
Plumbing permits	31,000	31,710	710
Mechanical permits	45,000	47,558	2,558
Plan review fees	4,000	3,844	(156)
Interest	1,000	1,260	260
Miscellaneous income	<u>          </u>	<u>351</u>	<u>351</u>
Total revenues	<u>271,000</u>	<u>278,358</u>	<u>7,358</u>
<b>EXPENDITURES</b>			
Personnel			
Building inspector	39,000	39,000	
Building director	54,000	53,585	415
Building coordinator	22,800	21,754	1,046
Clerical – part time	10,800	10,845	(45)
Ordinance officer	21,800	21,572	228
Payroll taxes	11,000	11,158	(158)
Retirement	4,700	4,638	62
Life/disability insurance	1,350	1,305	45
Hospitalization	16,000	15,380	620
Conferences - dues	2,000	1,698	302
Mileage	<u>3,800</u>	<u>3,964</u>	<u>(164)</u>
Total personnel	<u>187,250</u>	<u>184,899</u>	<u>2,351</u>
Contract services			
Clerical	500	378	122
Plan review	750		750
Electrical inspector	33,500	30,644	2,856
Plumbing inspector	22,500	22,209	291
Mechanical inspector	28,000	28,688	(688)
Substitute inspector	<u>1,400</u>	<u>1,192</u>	<u>208</u>
Total contracted services	<u>86,650</u>	<u>83,111</u>	<u>3,539</u>

CHARTER TOWNSHIP OF SPRINGFIELD  
BUILDING DEPARTMENT FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL - (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Operating expenditures			
Office supplies	\$ 5,700	\$ 5,694	\$ 6
Equipment under \$10,000	100	45	55
Operating supplies	500	281	219
Telephone	2,700	3,009	(309)
Gas and oil	1,500	1,381	119
Vehicle use	3,000	3,000	
Computer equipment	2,700	2,503	197
Software	750	530	220
Insurance and bonds	6,000	5,692	308
Miscellaneous	200	175	25
Facility operation and maintenance	9,300	9,240	60
Rent	<u>19,100</u>	<u>19,080</u>	<u>20</u>
Total operating expenditures	<u>51,550</u>	<u>50,630</u>	<u>920</u>
Support and service			
Accounting and payroll	15,000	14,700	300
Planning coordinator	6,700	6,720	(20)
Legal	10,000	9,933	67
Fire inspections	<u>500</u>	<u>420</u>	<u>80</u>
Total support and service	<u>32,200</u>	<u>31,773</u>	<u>427</u>
Total expenditures	<u>357,650</u>	<u>350,413</u>	<u>7,237</u>
Excess of revenues over (under) expenditures	<u>(86,650)</u>	<u>(72,055)</u>	<u>14,595</u>
OTHER FINANCING SOURCES			
Transfer in	45,650	45,650	
Appropriation of prior year fund balance	<u>41,000</u>	<u>          </u>	<u>(41,000)</u>
Total other financings sources	<u>86,650</u>	<u>45,650</u>	<u>(41,000)</u>
Excess (deficiency) of revenues over expenditures and other financing (uses)		(26,405)	(26,405)
FUND BALANCE, JANUARY 1, 2005	81,952	81,952	
PRIOR PERIOD ADJUSTMENT – BUDGET APPROPRIATION	<u>(41,000)</u>	<u>          </u>	<u>41,000</u>
FUND BALANCE, DECEMBER 31, 2005	<u>\$ 40,952</u>	<u>\$ 55,547</u>	<u>\$ 14,595</u>

LIBRARY  
FUND

CHARTER TOWNSHIP OF SPRINGFIELD  
LIBRARY FUND  
BALANCE SHEET  
DECEMBER 31, 2005

ASSETS

ASSETS

Cash and cash equivalents	\$ 59,167	
Taxes receivable	185,948	
Due from other funds	<u>41,954</u>	
Total assets		<u>\$ 287,069</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 1,439	
Deferred revenue	<u>264,443</u>	
Total liabilities		\$ 265,882

FUND BALANCE

		<u>21,187</u>
Total liabilities and fund balance		<u>\$ 287,069</u>



CHARTER TOWNSHIP OF SPRINGFIELD  
LIBRARY FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2005

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>			
Taxes	\$ 248,000	\$ 248,125	\$ 125
State aid	11,500	11,599	99
State revenue sharing	645	647	2
Penal fines - state	17,800	17,826	26
CDBG reimbursement	9,000		(9,000)
Overdue fines	12,000	13,625	1,625
Interest	3,700	3,731	31
Contract fees	2,200	2,300	100
Miscellaneous		198	198
Contributions	2,000	2,710	710
	<u>306,845</u>	<u>300,761</u>	<u>(6,084)</u>
<b>EXPENDITURES</b>			
Personnel			
Library director	58,500	58,500	
Librarian I	36,100	36,100	
Librarian II	15,000	14,538	462
Library tech	13,000	10,323	2,677
Circulation head	20,050	20,050	
Library assistant I	10,100	9,675	425
Library assistant II	9,500	9,305	195
Library assistant III	7,400	7,402	(2)
Library assistant IV	3,695	3,952	(257)
Library assistant V	17,000	16,557	443
Student assistant I	1,700	1,703	(3)
Payroll taxes	15,000	14,620	380
Retirement	8,625	8,599	26
Life/disability insurance	1,350	1,535	(185)
Hospitalization	19,200	18,864	336
Mileage	500	252	248
	<u>236,720</u>	<u>231,975</u>	<u>4,745</u>
Total personnel			
Operating expenditures			
Office supplies	5,000	4,603	397
Equipment under \$10,000	500	323	177
Operating supplies	4,000	1,933	2,067
Professional service	250	790	(540)
Shared automations system	28,000	27,629	371
Conferences - due	1,500	1,252	248
Telephone	1,500	1,558	(58)
Printing and publishing	500	145	355
	<u>41,250</u>	<u>38,233</u>	<u>3,017</u>
Total operating expenditures			
Utilities			
Insurance and bonds	2,500	1,655	845
Repairs and maintenance	500	360	140
Miscellaneous	1,500	412	1,088
	<u>4,500</u>	<u>2,427</u>	<u>2,073</u>
Total utilities			

CHARTER TOWNSHIP OF SPRINGFIELD  
LIBRARY FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
(continued)  
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Collections			
Books	39,000	36,826	2,174
Subscriptions	<u>3,250</u>	<u>4,075</u>	<u>(825)</u>
Total collections	<u>42,250</u>	<u>40,901</u>	<u>1,349</u>
Tax tribunal	<u>2,250</u>	<u>2,033</u>	<u>217</u>
Total expenditures	<u>326,970</u>	<u>315,569</u>	<u>11,401</u>
Excess of revenues over (under) expenditures	<u>(20,125)</u>	<u>(14,808)</u>	<u>5,317</u>
OTHER FINANCING SOURCES			
Transfer in	15,000	15,000	
Appropriation of prior year fund balance	<u>15,000</u>	<u>          </u>	<u>(15,000)</u>
Total other financing sources (uses)	<u>30,000</u>	<u>15,000</u>	<u>(15,000)</u>
Excess of revenues over (under) expenditures and other financing sources (uses)	<u>9,875</u>	<u>192</u>	<u>(9,683)</u>
FUND BALANCE JANUARY 1, 2005 BEFORE PRIOR PERIOD ADJUSTMENT	20,995	20,995	
PRIOR PERIOD ADJUSTMENT – BUDGET APPROPRIATION	<u>(15,000)</u>	<u>          </u>	<u>15,000</u>
FUND BALANCE JANUARY 1, 2005 AFTER PRIOR PERIOD ADJUSTMENT	<u>5,995</u>	<u>20,995</u>	<u>15,000</u>
FUND BALANCE DECEMBER 31, 2005	<u>\$ 15,870</u>	<u>\$ 21,187</u>	<u>\$ 5,317</u>

LAKE BOARDS  
FUND

CHARTER TOWNSHIP OF SPRINGFIELD  
LAKE BOARDS FUND  
BALANCE SHEET  
DECEMBER 31, 2005

ASSETS

ASSETS

Cash and cash equivalents	\$ 142,272
Special assessment receivable	378,093
Due from other funds	<u>25,431</u>

Total assets		<u>\$ 545,796</u>
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LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 2,376
Deferred revenue	<u>444,948</u>

Total liabilities		\$ 447,324
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FUND BALANCE

	<u>98,472</u>
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Total liabilities and fund balance		<u>\$ 545,796</u>
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CHARTER TOWNSHIP OF SPRINGFIELD  
LAKE BOARDS FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Interest	\$	\$ 5,232	\$ 5,232
Interest special assessment	1,000	14,629	13,629
Revenue – Big Lake	46,000	64,655	18,655
Revenue – Dixie Lake	46,000	44,000	(2,000)
Revenue – Susin Lake	9,000	16,325	7,325
Revenue – Waumegah Lake weed	27,000	23,000	(4,000)
Revenue – Waumegah Lake berm and well	128,000	49,583	(78,417)
Revenue - Waumegah legal	<u>18,000</u>	<u>17,938</u>	<u>(62)</u>
Total revenues	<u>275,000</u>	<u>235,362</u>	<u>(39,638)</u>
EXPENDITURES			
Contractual services – Big Lake	46,000	45,753	247
Contractual services – Dixie Lake	46,000	47,628	(1,628)
Contractual services – Susin Lake	9,000	8,952	48
Contractual services – Waumegah weed	27,000	30,743	(3,743)
Contractual services – Waumegah berm	128,000	154,792	(26,792)
Contractual services - Waumegah legal	18,000	17,870	130
Waumegah Lake loan principle		16,667	(16,667)
Waumegah Lake loan interest	<u>1,000</u>	<u>2,379</u>	<u>(1,379)</u>
Total expenditures	<u>275,000</u>	<u>324,784</u>	<u>(49,784)</u>
Excess of revenues over (under) expenditures		(89,422)	(89,422)
FUND BALANCE, JANUARY 1, 2005	<u>187,894</u>	<u>187,894</u>	<u></u>
FUND BALANCE, DECEMBER 31, 2005	<u>\$ 187,894</u>	<u>\$ 98,472</u>	<u>\$ (89,422)</u>

SHIAWASSEE  
BASIN  
FUND

CHARTER TOWNSHIP OF SPRINGFIELD  
SHIWASSEE BASIN FUND  
BALANCE SHEET  
DECEMBER 31, 2005

ASSETS

ASSETS

Cash and cash equivalents  
Due from other funds

\$ 30,519  
400

Total assets

\$ 30,919

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable

\$ 3,910

FUND BALANCE

27,009

Total liabilities and fund balance

\$ 30,919

CHARTER TOWNSHIP OF SPRINGFIELD  
SHIAWASSEE BASIN FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
CDA reimbursement	\$	\$	\$
Concession stand	300		(300)
Improvement fund	300		(300)
Interest	200	3,169	2,969
Rents	21,600	19,480	(2,120)
Field use	2,000	1,385	(615)
Contributions	1,000	250	(750)
Programs	<u>3,150</u>	<u>3,142</u>	<u>(8)</u>
Total revenues	<u>28,550</u>	<u>27,426</u>	<u>(1,124)</u>
EXPENDITURES			
General services			
Contractual service	18,400	14,907	3,493
Maintenance reimbursement	15,000	6,580	8,420
Insurance	9,000	7,000	2,000
Utilities	2,000	1,720	280
Repairs and maintenance	25,000	31,977	(6,977)
Projects under \$10,000	9,500		9,500
Miscellaneous		650	(650)
Equipment usage	<u>5,000</u>	<u>4,221</u>	<u>779</u>
Total general services	<u>83,900</u>	<u>67,055</u>	<u>16,845</u>
Programs	<u>1,850</u>	<u>1,366</u>	<u>484</u>
Capital outlay	<u>147,000</u>	<u>146,938</u>	<u>62</u>
Total expenditures	<u>232,750</u>	<u>215,359</u>	<u>17,391</u>
Excess of revenues over (under) expenditures	<u>(204,200)</u>	<u>(187,933)</u>	<u>16,267</u>
OTHER FINANCING SOURCES			
Appropriation of prior year fund balance	112,000		(112,000)
Transfers in	<u>92,200</u>	<u>92,200</u>	
Total other financing sources	<u>204,200</u>	<u>92,200</u>	<u>(112,000)</u>
Excess of revenues over (under) expenditures and other financing sources	<u></u>	<u>(95,733)</u>	<u>(95,733)</u>
FUND BALANCE, JANUARY 1, 2005	122,742	122,742	
PRIOR PERIOD ADJUSTMENT BUDGET APPROPRIATION	<u>(112,000)</u>		<u>112,000</u>
FUND BALANCE, DECEMBER 31, 2005	<u>\$ 10,742</u>	<u>\$ 27,009</u>	<u>\$ 16,267</u>



CIVIC CENTER  
DEBT SERVICE  
FUND

CHARTER TOWNSHIP OF SPRINGFIELD  
CIVIC CENTER DEBT SERVICE FUND  
BALANCE SHEET  
DECEMBER 31, 2005

ASSETS

ASSETS

Cash and cash equivalents	\$ 79,740
Taxes receivable	277,956
Due from other funds	<u>62,712</u>
Total assets	<u>\$ 420,408</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Deferred revenue	\$ 395,290
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FUND BALANCE

25,118

Total liabilities and fund balance	<u>\$ 420,408</u>
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CHARTER TOWNSHIP OF SPRINGFIELD  
CIVIC CENTER DEBT SERVICE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Property taxes	\$ 368,000	\$ 368,220	\$ 220
Interest	<u>4,000</u>	<u>4,593</u>	<u>593</u>
Total revenues	<u>372,000</u>	<u>372,813</u>	<u>813</u>
EXPENDITURES			
Debt service			
Principal	160,000	160,000	
Interest	206,000	204,858	1,142
Fees	<u>3,500</u>	<u>3,288</u>	<u>212</u>
Total expenditures	<u>369,500</u>	<u>368,146</u>	<u>1,354</u>
Excess of revenues over (under) expenditures	2,500	4,667	2,167
FUND BALANCE, JANUARY 1, 2005	<u>20,451</u>	<u>20,451</u>	
FUND BALANCE, DECEMBER 31, 2005	<u><u>\$ 22,951</u></u>	<u><u>\$ 25,118</u></u>	<u><u>\$ 2,167</u></u>

BRIDGE LAKE  
ROAD  
FUND

CHARTER TOWNSHIP OF SPRINGFIELD  
BRIDGE LAKE ROAD FUND  
BALANCE SHEET  
DECEMBER 31, 2005

ASSETS

ASSETS

Cash and cash equivalents  
Due from other funds

\$ 68,572  
1,545

Total assets

\$ 70,117

FUND BALANCE

FUND BALANCE

\$ 70,117

CHARTER TOWNSHIP OF SPRINGFIELD  
 BRIDGE LAKE ROAD FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$ 19,000	\$ 28,819	\$ 9,819
Special assessments - interest		1,028	1,028
Interest	<u>1,000</u>	<u>1,466</u>	<u>466</u>
Total revenues	<u>20,000</u>	<u>31,313</u>	<u>11,313</u>
EXPENDITURES			
Loan - Principal	20,000	18,515	1,485
Loan - Interest	<u></u>	<u>1,111</u>	<u>(1,111)</u>
Total expenditures	<u>20,000</u>	<u>19,626</u>	<u>374</u>
Excess of revenues over (under) expenditures		11,687	11,687
FUND BALANCE, JANUARY 1, 2005	<u>58,430</u>	<u>58,430</u>	<u></u>
FUND BALANCE, DECEMBER 31, 2005	<u>\$ 58,430</u>	<u>\$ 70,117</u>	<u>\$ 11,687</u>

TRUST  
AND  
AGENCY  
FUND

CHARTER TOWNSHIP OF SPRINGFIELD  
TRUST AND AGENCY FUND  
BALANCE SHEET  
DECEMBER 31, 2005

ASSETS

ASSETS

Cash and cash equivalents

\$ 69,577

LIABILITIES

LIABILITIES

Due to other funds

\$ 1,612

Due to others – escrow deposits

67,965

Total liabilities

\$ 69,577



CURRENT TAX  
COLLECTION  
FUND

CHARTER TOWNSHIP OF SPRINGFIELD  
CURRENT TAX COLLECTION FUND  
BALANCE SHEET  
DECEMBER 31, 2005

ASSETS

ASSETS

Cash

\$ 956,933

LIABILITIES

LIABILITIES

Due to other funds

\$ 573,578

Due to others

383,355

Total liabilities

\$ 956,933



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**PFEFFER ■ HANNIFORD ■ PALKA**  
*Certified Public Accountants*

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**Patrick M. Hanniford, C.P.A.**  
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March 2, 2006

Charter Township of Springfield  
Honorable Board of Trustees  
12000 Davisburg Road  
Davisburg, Michigan 48350

Dear Honorable Board of Trustees:

During our audit of the Charter Township of Springfield we came across several matters that we would like to discuss with you as part of our audit presentation for the year ending December 31, 2005. As you know the audit included all funds of the Township. The audit also included the Library Fund which is shown as a separate component unit of the Township in the financial statements because they have a separate elected commission and funding.

The matters which we would like to discuss with you are as follows:

1. Non-peg cable revenues and a portion of state shared revenues were deposited into the Fire Fund during the year. The intent of the budget was to increase the fund balance of the Fire Fund for expansion purposes.

Non-peg cable revenues and state shared revenues should always be deposited directly into the General Fund. Budgeted transfers from the General Fund into the Fire Fund can be approved to accomplish the intent of building the Fire Fund's equity.

2. The Township received voting equipment as part of a grant. No money was involved in this transaction. The Township did not account or budget for this event.

In the future, the Township should record these types of transactions at the estimated value of the equipment. Under Generally Accepted Accounting Principles (GAAP) a revenue and expenditure should be recorded as well as budgeted for the fund financial statements.

3. The Township (Parks and Recreation Fund) received some donations over \$250 per donor. There were no acknowledgement letters sent to the donors.

The Township is required to send acknowledgement letters before January 31 of the following year as required by the Internal Revenue Service. We have suggested the proper verbiage.

4. While auditing payroll and subcontractors we found a few 1099's which did not reconcile to actual payments made by the Township. This was due to a problem in the new software program.

We have discussed the above with the clerk's office and we have been informed the 1099's have been amended.

5. While auditing disbursements, we found two (2) payments from the Shiawassee Basin Fund to the Oakland County Drain Commission with little documentation explaining the purpose of the payments.

The Township should maintain a consistent policy whereas the department requesting the payment be required to list account numbers and explanations as part of the invoice - payment request.

6. Cash receipting is done in various areas of the Township such as the Building Department, Parks and Recreation and Fire Department. In most of these circumstances, the individuals receipting monies are also performing related functions such as billing, tracking receivables and issuing permits. Thus, there is a lack of segregation of duties.

As you remember, we brought this to your attention last year. You have explained to us you feel it is more efficient to collect monies in the different areas of the Township. Since you have decided to maintain your current policy of collecting monies, we would like to recommend the following suggestions to help improve your internal controls:

- Sequential cash receipt tickets are used in the Parks and Building Departments. These tickets should be sequenced by the Treasurer's department. If a number is missing, the Treasurer's department should get an explanation.
- Reconciliation of cash drawers in the Parks and Recreation, Building and Library Departments is performed by members of the respective department, not by the Treasurer's office. We suggest on an interim basis throughout the year someone from the Treasurer's office do the reconciliations on a surprise basis.
- Procedures for counting and remitting monies to the Treasurer's office for deposit into the bank varies from department to department. It is not done on a regular basis, but rather when there is sufficient cash to deposit, as determined by each department. We suggest the Township adopt a consistent policy for each department to follow. The policy should include a statement on how often monies should be brought over to the Treasurer's office (we suggest at least weekly).

We would like to thank the Township officials and employees that assisted us during the audit process for their cooperation.

If you should have any questions, comments or concerns please do not hesitate to call us.

This report is intended solely for the information and use of the Board of Trustees and management of the Charter Township of Springfield and is not intended to be and should not be used by anyone other than the specified parties.

*Pfeffer, Hanniford & Palka, P.C.*